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# **West Europe Report**

**No. 1665**



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5 December 1980

## WEST EUROPE REPORT

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## AMBASSADOR POINTS OUT PROBLEMS OF EUROMISSILE TALKS, SALT

Paris LE MONDE in French 14 Oct 80 p 2

[Article by Francois de Rose, French Ambassador: "Negotiations Full of Peril"]

[Text] The talks in Geneva in which Americans and Soviets are now engaged, constitute a truly new opening. An attempt is being made to lay the ground work for the inclusion of middle range missiles stationed in Europe, in the possible third phase negotiations on the limitations of nuclear armaments (SALT III).

A new opening indeed, for until now Washington has always refused to include armaments without intercontinental range in the count of its strategic means. On the other hand, Moscow has been insisting for more than 10 years on including in the negotiations, American armaments located in Europe, capable of reaching its territory and known as Foreign Based Systems (FBS).

Consequently, concerning this point, the opening of negotiations indicates a change in the American position and a victory for the Soviet Union. Nonetheless, the event is well-received in the Federal Republic, the United States and most capitals of NATO. In West Germany it is so because the government had been pushed into an awkward position by accepting the deployment of these missiles upon its territory and found itself forced due to its Ost Politik as well as pressure from segments of public opinion, to request that East-West negotiations attempt to limit such deployments on both sides. On the American side it meant, while making sacrifices, giving new impetus to, and preserving the main article of negotiation concerning intercontinental armaments, the ceilings of which the White House still hopes to see substantially reduced.

But, contrary to what is suggested by a superficial analysis, negotiations on middle range armaments are full of peril for the future of security on the Old Continent.

Without bringing up the reasons which called for the decision of NATO, on 12 Dec 1980, to install these missiles in Europe, [Note 1: see LE MONDE of 20 May: "Might Makes Right"] let us recall that the objective of the Kremlin, for several years, has been to prevent, purely and simply, a decision of this type on the part of NATO. At stake was the disruption of the existing continuity between operations in Europe and those which might involve the territories of the two great powers. Thus as long as there were no longer any American armaments in Europe capable of reaching the USSR,

it would be easier, in periods of crisis or conflict, to maintain the threats or the operations within the limits of the sole territories of the allies of the great powers while excluding their own territories. In other words, the goal was to uncouple theater armaments from strategic armaments, between Europe and the United States.

Brezhnev had exerted pressure to such an extent as to declare that he would refuse any talk about euromissiles as long as NATO had not cancelled its decision to manufacture them. The measure of our own intoxication is revealed by the fact that the foregoing of this condition, during Mr Schmidt's visit in Moscow, passed for a victory of the chancellor and as a proof of the conciliatory spirit of the master of the Kremlin. An admirable concession! It is as if Mr Brezhnev, after demanding as a prerequisite for shaking hands that the West first cut off its arms, then gave up on the condition that negotiations be opened on the manner in which to cut off the arms!

For here is the real problem. Negotiations indeed concern armaments having a minimum range equal to the shortest distance between the Federal Republic and the Western regions of the USSR (about 1500 km). They will therefore leave untouched the freedom to manufacture and to deploy armaments of shorter range. And therein lies the most serious discrepancy for the West: all Soviet battlefield missiles (up to artillery shells and including air-born bombs and missiles with an extended range of several hundred km) would hit Western Europe, in case of conflict, but comparable armaments of Atlantic allies could only reach the satellites of the Warsaw Pact or even, in case of rapid enemy advance, the Federal Republic.

They would therefore be playing with a perfectly marked deck. The greater the reduction is in the number of middle range missiles the more it would hurt the West. At the limit indeed, a total elimination of Pershing II's and Cruise missiles, for that of SS 20's, would merely result in depriving NATO of the means of reaching Russia, while the latter would retain thousands of armaments capable of hitting Western Europe.

That such an enterprise, aiming at the mutilation of systems of armaments which alone can force the Soviet Union into sharing the common lot of countries threatened by "desanotuarization" in case of war in Europe, should be met with applause, is a paradox, resulting from the priority given to form rather than to content, when the desire to talk overrides the study of the substance of the talk, when internal and foreign policy pressures come before security requirements.

The only hope lies in the fact that the negotiations will be, or would be, so complicated that they are expected to last a long time and that the chances of agreement are few. Under those conditions Washington and Bonn could still curtail the damages, provided no moratorium interferes with the manufacture and installation of these missiles before the hypothetical conclusion of SALT III.

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CSO: 3100

## BRIEFS

SWEDEN BUYS NORWEGIAN OIL--Stockholm (TT)--Sweden has made an agreement with Norway for import of crude oil. The agreement is the first of its kind, and it means a great breakthrough in the negotiations between Sweden and Norway on cooperation in energy. The oil-purchase agreement made on Tuesday was reported by the American paper Petroleum Intelligence Weekly. According to information they received, the Swedish oil cooperative OK [expansion unknown] will buy 90,000 tons of crude oil per quarter from the Norwegian national company, Statoil. Oil import of this size would cover just under 2.5 percent of Sweden's crude-oil imports. OK formerly imported one-fifth of its oil from Iran and Iraq. The oil agreement that had been in effect with Iran was not renewed this year. Instead, OK has directed its interest to the North Sea. About a month ago, OK made an agreement with England's national oil company, BNC [expansion unknown], to buy 200,000 tons of oil every 6 months. The Norwegian Statoil will now sell 450,000 tons of crude oil abroad each quarter, mostly to western European countries. Among others, [the Finnish company] Neste Oy will buy 160,000 tons per quarter from Norway. Norway's Statoil has grown along with Norway's exploitation of North Sea reserves. Now Statoil is a large enterprise, and it is expected to become the most profitable enterprise in Scandinavia during this decade. Five years from now the company's profits will be approaching 10 billion marks. [Text] [Helsinki HELSINGIN SANOMAT in Finnish 23 Oct 80 p 247] 9611

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## ECONOMIC INSTITUTE CRITICIZES COAL POLICY

Duesseldorf WIRTSCHAFTSWOCHE in German 31 Oct 80 pp 30-32

/Text/ The Federal Government's coal policy hampers the replacement of oil by hard coal. That is the conclusion reached by the Kiel Institute for World Economy, and the institute therefore challenges Bonn to provide a new support system.

Up to now the Federal Government's energy policy--watchword "priority for coal"--has represented no more than lip service. With increasing insistence do energy experts emphasize the need to reform coal policy. They have been joined by the Kiel Institute for World Economy, also (some time ago) by the council of experts engaged in studying general economic development, and the scientific advisory council at the Federal Ministry for Economics. All call for an end to restrictions on coal imports into the Federal Republic.

Kiel scholars Prof Gerhard Fels and Axel D. Neu go even further. In their view the current support system for German hard coal should be completely revamped. The Kiel critics warn that "the system allegedly serving to protect domestic hard coal mining in fact hampers the desirable replacement of oil by imported coal."

According to their calculations, in the long term up to 40 million tons of oil annually could be replaced by coal for heating purposes alone. At the same time the researchers say that the liberalization of hard coal imports is definitely a prior condition for the speeded-up policy of substitution--slogan "away from oil." German hard coal cannot fill the gap, either in terms of price or volume. The reason? German hard coal must be mined deep underground, as far down as 1,500 meters.

In the major mining regions of foreign coal suppliers such as South America, Canada, South Africa, Australia and the United States, the immense seams can usually be mined by stripping, and production is therefore cheaper. Investment costs for the development of new hard coal fields in the Federal Republic amount to DM500-700 per ton. Foreign suppliers pay only DM150-200 per ton. Labor costs also are higher in the Federal Republic; amounting to 50 percent of total costs, they are 20 percent higher than in the strip mine operations of the exporting countries.

Fearing that sure German hard coal could be lost entirely to domestic energy supplies in the competition with cheap foreign coal--especially even cheaper oil--, politicians in the past heaped support payments on the mining industry. This policy did not change much even after the first oil crisis, when oil prices overtook the price of domestic coal.

In 1979 direct and indirect expenditure by public agencies for the benefit of the hard coal mining industry amounted to DM14.54 billion.

First among the promotional measures is the so-called century treaty. This obligates power plant operators gradually to purchase expensive German hard coal in the amount of 46.5 million tons annually through 1995. This measure is financed mainly by way of the so-called coal penny--a regionally varying tax paid by the consumer with his electricity bill. Import restrictions are designed to go hand in hand with the use of coal in power plants. According to the wishes of the legislators the use of foreign hard coal will be restricted in the 1990's to about 36 million tons per annum.

The Kiel Institute, however, has computed that this volume is not nearly adequate to meet the target requirement--"away from oil--priority for coal." The total import need in the 1990's may well be in the region of 50-60 million tons per annum. "However," says the Kiel institute, "the sum total of all planned import permits leads us to assume that not quite half these imports will in fact reach us in the early 1990's."

In addition to asking that imports of coal be freed, Fels and Neu advocate a new support system for German hard coal. The use of hard coal is to be increased by having the domestic mining industry sell German coal at the cheaper world market price. The current system--a mixture of subsidies and foreign trade protection--is to be replaced by an equalization payment.

At the same time the government will fix a guaranteed price for German coal. If the price of coal obtainable in the Federal Republic after imports have been freed is below this guaranteed price, the government will make up the difference. The Kiel scholars stress that this system has the advantage of the low-price world market deciding the volume of hard coal to be used in German industry. This would provide a greater incentive for the replacement of oil.

"The electricity supply industry also considers sensible the use of public money for the direct adjustment of the price of domestic coal to the world market price," explains Dr Horst Magerl, general manager of the Association of German Electricity Works in Frankfurt. "Still, total freedom for coal imports must not result in penalizing firms which have accepted long-term obligations with regard to the purchase of German coal."

The Federal Ministry for Economics, on the other hand, together with the coal industry defends protection against free coal imports. One ministry spokesman points out that import restrictions are not fixed for all eternity: "If the demand situation should change, it will be quite possible to amend import quotas."

The Economics Ministry also has reservations about the Kiel institute's call for a new support system. Direct equalization between the world market price and the price for domestic coal could have the result that coal producers no longer felt any need to keep costs as low as possible. Nothing, the ministry people say, is easier than to produce costs.

## BRIEFS

SWEDEN, NORWAY STUDY COOPERATION--Oslo (Arne Finborud) Sweden and Norway will soon conclude an agreement on great joint industrial projects. The projects concern mostly North Sea oil reserves and development of Norway's northern regions. According to information received from our high-ranking sources in the Norwegian Government, the Swedish automobile giant, Volvo, is again a strong opponent of cooperation, even though the draft proposal for cooperation between them and Norway failed some time ago. Negotiations for a new energy and industrial cooperation agreement were conducted last week in Harpsund by Prime Ministers Torbjorn Falldin and Odvar Nordli. The contents of the agreement were finalized in those discussions. Cooperation between the countries has been strengthening even before the agreement. Even Volvo has participated in oil drilling in territorial waters of northern Norway. Volvo is also hiring the famous Norwegian industrial leader, Gustav H. Simonsen, who is at this moment working for the Aker concern, one of Norway's large enterprises. Norway is conducting negotiations with Denmark and Finland at the same time. Progress in these negotiations has not been as rapid as in those with Sweden, however. Norwegian Minister of Industry Lars Skytoen has met often with his Finnish counterpart, and discussions have also taken place between the prime ministers. One of the biggest concrete ideas for Scandinavian energy cooperation has been the building of a gas pipeline from Norway's waters to Denmark, and from there on to Sweden and Central Europe. [Text] [Helsinki HELSINGIN SANOMAT in Finnish 27 Oct 80 p 2] 9611

CSO: 3107

## EDEK LEADER CRITICIZES GREECE'S NATO REENTRY

Nicosia TA NEA in Greek 25 Oct 80 p 3

[Text] The full text of the remarks by Dr. V. Lyssaridis, president of the United Democratic Union of the Center [EDEK], at yesterday's press conference is as follows:

I consider the frequent contacts with the press and the institution of fixed dates [for such contacts] necessary because opportunities are provided for us to expand our views on current developments and for you to ask questions for enlightening your readers on each party's positions.

I will not repeat the positions of our socialist party EDEK on world events and our proposals for solving the Cyprus problem which are well known to you. I shall limit myself to the following issues:

Local Developments

1. We all know that the Cyprus problem is connected with the energy sources and the area's communication possibilities. One could conclude that the draining of these sources by any basic pole [superpower] would lead to a broad conflagration. Arrangements will probably be made with regard to energy marketing which will allow for the industrial survival of both sides. Such an arrangement will have, of course, its political impact which should not be underestimated or overestimated.

2. The Iraq-Iran war cannot be interpreted as a simple confrontation between the two countries but should be examined in the broader framework of the developments in the area. Continuation of the war harms the progressive forces in the area.

3. The United States is trying to maintain and to expand a network of bases in the area in order to control it economically and politically. [They have done so] in Turkey, Oman, Israel, Egypt, Somalia, and naturally are extending it to Cyprus and Crete. These [American] bases constitute a danger to the area and are crippling the independence of the countries in which they exist.

4. The coup in Turkey was a very important development in the area. It is clear that this coup had the approval of the American political and military establishment. The aim was to drown the voice of the progressive forces in Turkey and to provide solutions to inter-allied problems in NATO's southeastern wing.

But the progressive forces in Turkey as well as the oppressed minorities will now have a common ground of activity--the antidictatorial struggle. With proper



leadership this struggle can be directed toward the American guardianship and against the chauvinistic policy of Turkey's governing class against the Aegean and Cyprus.

5. In Greece, the most important fact besides the increased influence of the Pan-hellenic Socialist Movement (PASOK) was the country's reintegration into the military structure of NATO. This action, besides its impact on the whole country, is a mortal blow to the Cyprus cause.

Greece withdrew from NATO's military wing because of the Turkish invasion. Yet this invasion-occupation continues. The Turkish intransigence becomes more evident when Evren proclaims that Cyprus is an integral part of Turkey and when he insists on solutions which are equivalent to sanctioning the occupation. On what moral issue was the reintegration based? By accepting the invasion-occupation? Does not this accommodate other countries to base their policy as concerns Cyprus on this very position--the tolerance of occupation? And does Greece consider the Turkish army of occupation Hellenism's ally? Will it become its ally in perpetuating the occupation of Cypriot Hellenism?

This action is unacceptable. The Greek and the Cypriot people will struggle to nullify it.

#### Present Phase of the Cyprus Problem

1. The occupation is continuing. The Turkish intransigence is becoming more evident. The aims of both the settlers and Turkey remain unchanged. It would be naive for one to believe that these aims will be given up out of good will. Change can come only by thwarting these aims.

The military coup in Turkey, the reintegration of Greece into the military wing of NATO and the effort to put aside the Cyprus problem and to gradually legalise the occupation are manifestations of the same central plan. This is the meaning behind the Carter statements--perhaps to deceive the Cypriot people; to make some changes to their proposals regarding Famagusta; or to create confusion, and create a split in the refugee world; to create semi-permanent situations which would in substance betray the real prospect for national survival.

2. With the concurring opinion of certain party leaders, the government has proceeded toward non-internationalisation. Turkey's demand to remove the Cyprus problem from international forums or, worse still, the wrong presentation of the problem by Turkish government officials is indeed succeeding. Some officials consider the projection of the Cyprus tragedy as football. Yet it represents the just voice of a people under refugee and occupation conditions.

3. The same is true unfortunately--again in an indirect way--with the question of the evaluation and marketing of the stolen properties and products. Already dangerous steps have been taken in this direction.

4. Whether by intentional choice or by dangerous naivete the Cyprus question is being pushed aside. From an issue of invasion-occupation, of violation of international principles and resolutions it tends to change into an intercommunal difference and an issue of minor border arrangements and constitutional details.

## Projected Courses

Under such conditions the Cypriot people face two opposing courses.

1. Some quarters follow the view that we are defeated, that the balance of powers is negative, that we are at the mercy of Turkey.

Where does this position lead? [It means] that we must accept the Turkish plans. What are the Turkish plans? First, legalisation of the occupation and then total occupation.

Are these circles indeed willing to accept this course? If yes, why don't they present it openly to the people? If not, why do they orient their policy in this direction?

2. The second course is that of a struggling realism. No isolated problems exist today and the correlation of powers and possibilities is never made on a local measure. All preconditions exist for a modest but steady struggle for vindication: through the right internationalisation; through the right development of national interests; through the right defensive protection; through the mobilisation of people and resources; and through the development of the right climate of struggle.

The presentation of the defensive preparations as an offensive war constitutes a suspicious action. But the people have already detected the deceit. Today more than ever it is necessary to implement the position for full and immediate control of the Cypriot state on the basis of the defensive possibilities of the country; to promote and support Cypriot officers; and for the state to administer the staffs of all defensive and security forces.

## Intercommunal Talks

1. ENK has always supported meaningful talks as the UN resolutions provide and not parodies which do not break the deadlock but simply make it possible for Turkey and its allies to freeze the Cyprus question and to justify the political and economic support given to Turkey.

2. There have always been the supporters of the view that we should and we must continually make new concessions albeit without anything in exchange because in this way we expose Turkey's intransigence. The result until now has been the continuous postponement of the time for starting the intercommunal dialogue while simultaneously strengthening Turkey's position since we appear not as victims but as the guilty party which must make continuous concessions. This policy continues with destructive consequences to the Cyprus cause.

The Greek-Cypriot side, too, has already adopted the term "bizonal" with all the tragic consequences which will follow in the event the dialogue fails again. Because what will be put in force will not be our nor the Turkish term but the one to be accepted internationally—a term which will include the concept of boundaries. One does not have to be very intelligent to arrive at the conclusion that boundaries mean two separate states, that they mean legalisation of the partition.

3. The time for starting the dialogue and the timetable (one meeting each week instead of the continuous meetings) underline one objective: to avoid debating the issue in the UN General Assembly and defining Waldheim's responsibilities for establishing a committee as the last UNIA resolution provided. Also to prevent the Greek-Americans from projecting the issue into the American election.

4. The talks are held without participation of the people. Proposals are submitted, proposals are formulated irrevocably binding the fate of our people and yet the people do not know what is being debated. This constitutes a dangerous impropriety.

5. The National Council was informed ex post facto about some of the submitted proposals. It does not know the rest. What is the advisability of providing information after the fact? To bind the participants from informing the people? But the participants do not participate as individuals but as spokesmen of a percentage of people to whom they must report.

I have clearly stated that I do not consider myself bound to hide from the people proposals which moreover are known to Turkey and its allies; that behind the scenes talks ~~[words illegible]~~ or solutions without participation of the people. Only under such preconditions will I join the National Council.

6. I have already disagreed on the acceptance of the ~~[term]~~ bizonal, on the manner in which the dialogue is conducted, and on the proposals concerning the question of rapprochement. I do not know the constitutional proposals. The only thing I know is that they are more detailed as was unfortunately suggested by many leaders long ago.

7. Who is handling the Cyprus problem? Experts? Is this a technical problem? Don't the political decisions concern the whole people?

I am warning that this situation contains terrible dangers for our national existence. I am also warning that the people will not accept accomplished facts as concerns its national survival.

#### Internal Situation

Under these conditions, the people are divided into two camps: the camp of those who give in and are defeatists and the camp of the struggling realism. I believe that the large majority of the people, being properly enlightened, rejects servility and surrender. This means that all preconditions exist for a broad Popular Front of National Salvation whose activities will be based on a common, simple plan--a plan which will safeguard basic principles and rights, the right of residence, the right to own property, the right of free movement. ~~[A plan]~~ which will adopt the need for internationalization, defensive preparation and mobilization of people and resources.

#### Return of Refugees

All ~~[political]~~ parties have pledged in advance that they would not accept a solution which would not safeguard the right of the refugees to return ~~[to their homes]~~. Today there is reneging. But if we accept the annulment of this right for



a group of citizens, then, in fact, we are eliminating for good this right and opening the way for depriving all Cypriots of this right.

### **[Political] Parties**

Parties represent the ideological expression of the masses and they project a specific world outlook and a political line. Personalized parties without ideological content are foredoomed to die and are insulting the intelligence of a people under occupation. The fate of puppet parties will be still worse. Being mature, our people know that the choice today is between those who give in and those who are devoted to principles, between the entrenched economic oligarchy and those who believe in the universal mobilisation of people and resources in the struggle for national survival.

### **Forces of Change**

The need for change is evident--a change which will transform fatalism into an aggressive climate and will use to best advantage the alliances of the Cypriot people, a change which will move toward the transformation of the social and economic structures and rid the people of the unrestrained and choking exploitation by the economic oligarchy.

Only EDEK offers this change providing as guarantees its responsibility and its traditions, its aggressive march and its devotion to principles. The country's future now depends irrevocably on each Cypriot. No margins exist for hesitation or expectation. **[It is either]** submission and final enslavement, **[or]** prudent, aggressive realism and national salvation.

### **Turkish Cypriots**

The situation in the Turkish sector is depressive as concerns political freedom and economic oppression. What the progressive Turkish Cypriots must understand is that an anti-imperialist struggle without a simultaneous struggle against its proxy--the occupation army--is inconceivable. As long as the occupation troops stay, Cyprus will remain imperialism's candidate as a political and military base. A common anti-imperialist, anti-occupationist front is the key to the cooperation and the struggle for getting rid of the imperialist, proxied and post-colonial shackles.

### **[Military] Bases**

EDEK has recommended suspending the facilities at the bases which now are a broader danger to the area. Unfortunately this indispensability was not understood and it led to open confrontation.

I want to believe that it is now understood that without such measures the struggle against the bases is nonexistent--the struggle which attracts alliances also among Great Britain's progressive forces.



## Economic Issues

There will be other opportunities for a full analysis of EDEK's proposals on economic issues. Today I will limit myself to basic principles:

1. The country's economy is collapsing; the poor become poorer and the rich richer; the tax system is mainly against the working people; the worker demands remain unfulfilled; the farmers face survival problems; and the middle class is being ostracized. Even the productive capital is in an unpleasant situation compared to the parasitic or easy profit invested in short-term prospects. The impact from the unilateral investments in EOK is now evident. The problems of the cooperative sector burden the economy with tens of millions of pounds and the members of cooperatives with unbearable losses.

The quasi-government organisations are not substantially under parliamentary control. A spirit of austerity is asked of those whose standard of living is less than moderate, instead of those of the economic oligarchy and the state machinery.

There is no planning. The state participation in the development of the national product is very low. The limits of irresponsibility in the area of exploitation are such that one cannot find a similar situation in any other capitalist country. Where will such situation lead? The foreigners lie in wait for the opportunity to make Cyprus their complete economic component and thus impose their political mandates.

## Need for Change

The need for change is apparent. The change is not only a necessity dictated by the social facts but also a patriotic priority because the collapse of the economy will have a dramatic impact on our national future.

Representatives of the economic oligarchy dare appear as agents of change. The only change they can promise is an exploitation with still greater unaccountability, a greater misery for the masses, and greatly mortgaging our economy to foreigners. The socialist party EDEK is the force which can proceed with meaningful changes in the social and economic structures and in a manner that they will lead to the country's salvation.

## Measures of Change

As I have already pointed out, I will not describe our complete proposals. I only say that planning is impossible without exercising control on the capital reserves, without, that is, nationalising the banks and the monopolies. It is necessary to change the tax system and particularly the rate of direct and indirect taxes; to redistribute the national income; to reform agriculture so that land and water will belong to the farmers; to centrally control the water resources; to completely cleanse the cooperatives through new legislated democratic regulations; to exercise parliamentary control on semi-government organisations; to wipe out the spirit of creating a consumer society; and to strengthen domestic production.

## PORTRAIT OF NORMAN ANDERSEN, SOCIALIST MP

Copenhagen BERLINGSKE TIDENDE in Danish 5 Oct 80 Pt II p 3

[Article by Solveig Rodsgaard: "The Unknown Party Soldier". Passages in slant-lines printed in boldface]

[Text] /Norman Andersen, 60, twice elected member of parliament since 1966 for the Social Democrats in the Ringkøbing District, is one of the hard working and taciturn members of the Folketing. On Tuesday, he and his colleagues put their work clothes back on./

Norman Andersen, MP. Not many of the general public have heard of him. Nevertheless, he quietly and calmly collects more personal votes among the electorate than many of his well-known colleagues in the Social Democratic Party. Andersen is a typical representative of the large group of parliamentary members who work behind the scenes in the Folketing. They don't vociferate; they don't put forth important questions; they do not speak out on everything and they do not appear on the front pages of the newspapers or in television.

Instead, they do great work within their own circles. That is the reason, during the last elections, in his home district Ringkøbing, Anderson received 16,379 votes, 6,722 of which were personal. In comparison, for example, his colleague, Hogens Camre received 1,817 of the Vestre constituency's personal votes.

The self-effacing have now, just as the well-known members of the Folketing, pushed through resolution. On Tuesday at 12 o'clock the new parliamentary year begins. That means a great amount of political work. But for Andersen, 60, and the others from the provinces, it also means that 4 days of the week will be spent in Copenhagen, far away from the family.

Committee

Andersen first taste of parliamentary life was in 1966. Upper grade postman, mayor of Holstebro Normann Andersen (Social Democratic Party), was elected to the Folketing in the Løvgig-constituency. He was not reelected during the next election, but from 1971 he has remained in the Folketing as a representative of the Holstebro-constituency. He gave up his work in municipal politics in 1972, after 18 years, to concentrate on his work in the Folketing. Today he is a member of the Finance Committee, Transportation Committee and the Exchange Control Committee. He is also a member of the Railroad Committee, the SAS Board and DDL.

"I have written the three committee on my wish list for the coming parliamentary year. I wish for no more. One simply ca-not cover any more while sitting in the Finance Committee. I do not understand those people at all who, for example, are members of seven committees."

### The Family

Andersen must live without the family for the greater part of the week. He is married to Jutta Andersen; and they have three grown children. Both his wife and his children are used to him holding a political job.

"My wife knew what to expect when we got married. In our extreme youth we discussed these things and at that time we outlined a procedure to which we have held ever since. My wife accompanies me to all meetings she is allowed to go to, and we discuss many things at home."

During the 6 winter months every Monday evening is taken up with work in the Holstebro- constituency.

"I visit all sections by turns during the winter, once or twice. The information about the current political situation comes forth at the meetings, and afterwards we discuss ideas connected with the actual policy. At the moment we are discussing defense policy."

"Saturday, Sunday and Monday I often have visitors at home. They are people from Holstebro, Stuer and the vicinity who have problems they are stuck with or want help in solving. This goes back to the days when I was a member of the Holstebro City Council. I was a member for 18 years, and as a social committee chairman, my door was not closed. This is a continuation of that."

Tuesday morning Andersen flies to Copenhagen. Friday evening he returns home again.

"I spend the evenings working at the Folketing. I write or read; watch television news and programs I especially want to see. There can easily be as many as 15 colleagues from all parties at the Folketing in the evening."

"I live at the Mission Hotel in Longangs Street. I like living there because it is a quiet hotel, and I always get a room facing the garden, so there is always quiet at night, which means a lot to me."

### Dwindling Respect

Andersen admits that there is a difference in the Folketing now and compared with 1966 when he first started.

"The first time I was a member, there was a little more authority and unity than there is today. Contrary to what it was, there is more free speech now, and today one is supposed to be so close to being democratic that half of that would have been enough. As a newly elected member, at that time, one was supposed to go and nose around the work a little and try to get acquainted with what it was all about. Today, many of the newly elected have the solution to all problems."

"The question is whether the Folketing should have excluded all external influence so firmly. When I began, for example, there was no one who went to the podium in unbuttoned shirt and jeans. Then care was taken that the hair was neat; that the tie was straight and one was properly dressed. I feel that democratizing has been practiced too much, but that is perhaps because I am of the old school. I continue to view the Folketing's podium as the country's most distinguished, and the person who stands at the podium should also have so much respect that there is nothing to call attention to, neither with regard to manner of speech nor manner of dress."

#### Academicane

"Many of these new people coming to the Folketing today are, by way of their education, trained politicians in theory. From purely the theoretical aspect, they can know a lot, but then the practical aspect arises later. I like sitting down for discussions with some of those who have a very high theoretical education, but then I will say that I am indifferent about that per se, as the issue at stake in Vestjylland is work and money to buy food."

"Only the future knows whether the Folketing will consist of politicians who are trained politicians, or people who come from the general public. I prefer the latter. But this is a power struggle, and I do not know who will win."

"The situation is just as noticeable in my party as it is in the others. We should have academicians, but preferably not in excess. An academician has language usage that I, for example, am not capable to measure up to, which means that the person who has the greatest vocabulary and therewith, in many cases, also the greatest knowledge, will always win the case, irrespective of whether he is right or wrong."

#### Taciturn

Andersen is quite aware of the fact that he belongs to that group of politicians who do not say very much in public.

- 9 "I know very well that many people must stay in the limelight in order to be elected. I sometimes say that if I cannot be elected without the help of the local radio and press, that is just too bad, and I may just as well be thrown out. It has to be the work that is done on daily basis that counts, and not the fact that one is able to run back and forth to the podium, or draw attention to oneself in some other way. If one is hard-working within one's constituency, there is almost a certainty that one will be reelected; and by the same token, one does not have to draw attention to oneself. But therefore there might be people that come to be at home and say: "Why don't you draw more attention to yourself?"

"It has happened when I have been on the road that someone has said "you don't say much in public," No, but I am the type that if I don't have something I can renew a debate with, I keep silent."



## Help

Andersen does not say very much in the Folketing. In the last Folketing assembly he introduced two law proposals but he posed no questions to ministers. Instead, he tries to help people with problems in his home district by going either directly to ministers with a case, or by talking to people in the ministries.

"What is most depressing in the Folketing as opposed to, for example, city council, is, that one is just a small wheel in a big machinery. Years can pass without one obtaining any result of the concept one stands for. In the municipal political work, there can be result from one day to the next."

## Religion

There is not much free time left for Andersen. But the time there is, he uses, among other things, to read religious philosophy.

"I have always done that. How did I get interested in that? Well, it is probably the question: where do we come from, who am I, and where do I go. I first started to read about Danish religious movements, and from there I started to read everything about other movements, all from Indian Mythology to African cultural forms. It shows that everything ends in one form in religion. Besides, I am not a member of the national church. I am a member of the free church."

## Violence

Andersen is not too thrilled with Copenhagen, although he spends such a large amount of time there during each parliamentary session.

"At one time it was pleasant to visit Copenhagen, because one could go just about everywhere without any risk at all. Today one is factual and ponders when some violence will erupt in the neighborhood. This thought disturbs me when I go to Copenhagen and I do not want to stay there. I only go between the Folketing and the hotel, and I try to make that as short a trip as possible in order not to be attacked by anyone."

## PHOTO CAPTIONS

- a) Normann Andersen: "Only the future can show whether the Folketing will consist of politicians who are trained politicians, or people from the general public. I prefer the latter."
- b) Jutta and Normann Andersen live in a weekend marriage, which is the case of series of parliamentary members from Jylland.

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CSO: 8113

## LACK OF CONFIDENCE PLAGUES DEUTSCHMARK

Hamburg DER SPIEGEL in German 10 Nov 80 pp 25-28

[Text] The international money market mistrusts the Deutschmark which is increasingly losing its exchange value.

All is as well as can be: On behalf of his chancellor, government spokesman Armin Gruenewald called any talk about a Deutschmark devaluation "unrealistic." Hermann Josef Abs, pope of banking, seconded him: It was "irresponsible" to describe the Deutschmark as weak. And for Manfred Lahnstein, designated head of the Chancellery, the latest event on the foreign exchange markets are nothing but the "theater of the absurd."

Unrealistic, irresponsible, absurd--it is that simple. Foreign exchange traders, so goes the explanation, are playing the fool again; the steady decline of the Deutschmark has little to do with logic. It would be about time for the gossip about the Deutschmark finally to stop.

Yet the rumors will not go away. No official sops are of any help: The Deutschmark is subject to speculation, confidence has been damaged. The WELT comments with much melancholy about the "Deutschmark in the fall."

After all, the lately still so glorious currency has lost value not only against the dollar, cheered to 1.96 last Friday by the Reagan boom, and which has gained 13 percent since the early part of the year.

The Deutschmark has also lost ground against many European currencies, the booming British pound sterling, for example, which rose in value by nearly 20 percent, the Swedish krona (8 percent) or the French franc (1.7 percent).

Such changes in valuation must seem grotesque to those who take into account only the purchasing power of the respective currencies. All around us, in England or France, for example, double digit inflation is raging while the Federal German rate of inflation is steady at 5 percent.

If the criterion were the internal value of a currency, the Deutschmark should be more expensive, not cheaper.

However, the Germans are now learning that purchasing power alone does not determine the value of money. The exchange rate is also concerned with such facts as

the volume of currency on offer and the demand. In the case of the Deutschmark supply has exceeded demand for many months past.

Of course that is due to higher interest rates in Europe and America: Higher interest rates--in the case of dollar investments currently about 16 percent compared to about 9 percent in the Federal Republic--tempt German and foreign investors to abandon the Deutschmark.

Still, generous interest rates do not alone account for this weakness, because in former times they were not able to push down the value of the Deutschmark. Far more significant seems a phenomenon which many federal citizens evidently do not yet consciously appreciate: This year West Germans will spend some DM28 billion more on foreign goods and services than they themselves will sell abroad.

For decades past federal Germans heaped up foreign exchange almost as if this were a law of nature. Now they have joined the ranks of the deficit spenders. And, with their customary efficiency, they immediately went to the top: At the present time the Federal Republic boasts the largest current account deficit among Western industrial countries.

The billion Deutschmark hole has more than statistical significance. According to Bundesbank vice president Helmut Schlesinger it proves quite unmistakably that "the Federal Republic is living above its means in terms of foreign trade." Or, to put it more bluntly: West Germans no longer pay for their Italian vacations or Japanese automobiles with the money they are earning abroad.

Bundesbank President Karl Otto Poehl complains that "we have lived off the substance, because the deficit in the current account was overwhelmingly financed from our foreign exchange reserves.

According to official reports these reserves were worth about DM90 billion at the beginning of the year; somewhat more if gold holdings are valued at current market prices. However, we cannot live on these reserves much longer. Since the beginning of 1980 our proud hoard has shrunk by DM21 billion.

A particular irritant to the sensitive nervous system of the money traders is the speed of the German current account's descent into the red. As late as 1978 the Bundesbank showed a DM17.5 billion surplus.

Within 24 months the Federal German external budget worsened by DM45 billion. "Such a reverse," says a Zurich foreign exchange dealer, "spoils the outlook completely."

Black figures cannot be expected in the foreseeable future. The oil countries took about half the DM45 billion by which the balance deteriorated in the past 2 years. Nobody expects the OPEC princes to kindly settle for lower prices.

It is equally unlikely that the Germans will spend less money on foreign travel and foreign products. This year alone they lavished 4 times more money on foreign travel than in the early 1970's. The 61 million federal citizens now spend more on foreign travel than the 220 million U.S. Americans.

Just as impressive are the rates of increase in the purchase of imported goods. Federal citizens now spend twice as much on foreign finished products--machines or cars, clothes or furniture--than they did in 1975. Particularly galling is the fact that foreigners have gotten a firm grip on many domestic finished goods markets which had long been securely in German hands.

Federal bankers and statesmen nevertheless talk optimistically of getting away with a lower deficit next year. Current estimates run to about DM20 billion, though this estimate is based on assumptions which the managers of the bank of issue describe "as rather uncertain" (Poehl).

For one world trade (and therefore foreign exchange earning German exports) would have to grow by at least 2 percent. That is a bold assumption indeed in view of the generally prevailing recession. Furthermore oil should not be subject to more price jumps next year--and that seems positively presumptuous in view of the hot war on the Gulf.

In any case--whether the deficit amounts to DM20 billion or DM30 billion--the Germans will have no recourse but to use up some more of their savings hoard. Only if federal citizens agree to import less, or if we succeed in selling even more German goods abroad will the balance right itself again in the long run.

These are not particularly encouraging prospects for professional foreign exchange dealers. Their plans are normally short-term; a country feeding off its iron reserve does not appear to them particularly suitable for investment purposes. Wealthy foreigners therefore tend to act according to the slogan "let us see how it turns out" (to quote a Frankfurt banker) and for now send their money to New York or London.

In the first week of November, to prevent the already low exchange rate of the Deutschmark from dropping even lower, foreign exchange traders--on behalf of the Frankfurt Bundesbank--bought several billion Deutschmarks. Topsy-turvy world: The U.S. bank of issue whose dollars the Bundesbank at one time purchased in vast amounts, now supports the Deutschmark rate by emergency purchases. The French Government proclaimed lower interest rates to stem the flight from the Deutschmark.

None of it was enough to reverse the selling mood: Last Thursday and Friday German stocks and debentures plummeted. Most selling orders came from foreigners.

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## LABOR BOSS VETTER CRITICIZES COALITION PROGRAM

Hamburg DER SPIEGEL in German 10 Nov 80 pp 35-38

[Interview with DGB chief Heinz Oskar Vetter]

[Text] SPIEGEL: The coalition negotiations have been concluded. Can you still in all good faith claim that closeness to a social democratic-led government pays off for the employees?

Vetter: I sincerely hope that this coalition agreement is not a firm government program but simply an initial statement of intent. We must appreciate the government's position in view of the fact that the economic prospects for the immediate future are rather dim. You ask whether a social democratic-led government automatically implies closeness to the employees. After the pronouncement regarding the assurance of the iron and steel industry codetermination I have my doubts.

SPIEGEL: Yet before the election even the FDP seemed ready to underwrite the iron and steel industry codetermination--albeit on certain conditions. What has changed?

Vetter: The FDP which now joined the government coalition is a different party. A new type of FDP deputy has entered the Bundestag. And this type tends forcefully to emphasize that which the FDP trumpeted to all four corners in the course of the election campaign. I believe the Free Democrats election victory swamped the old FDP combination of flexibility and adherence to principle, which made earlier coalition cabinets so fruitful.

SPIEGEL: Still, a compromise was achieved early last week. To be reduced from 50 percent to 30 percent is the proportion of turnover in the iron and steel industry necessary for enterprises to be involved in equal codetermination. In return, and at the request of the FDP, the trade unions are to be deprived of the right to delegate employee representatives to the supervisory board. Instead, following the example of the 1976 codetermination law, these representatives are to be elected by the company staff. The FDP says that this proposal was killed by your objection.

Vetter: Of course it was. This supposed solution will certainly stay dead.

SPIEGEL: What is it you object to?

Vetter: It is simply not enough to reduce the proportion from 50 percent to 30 percent. To be precisely defined at the same time must be the part of the iron and

steel turnover to count toward this percentage. Mannesmann, for example, achieves 30 percent only if iron, steel and pipe production is lumped together. If pipe production, for example, were not counted, equal codetermination would be out even before the new legislation is drafted. And the same applies to other iron and steel companies such as Hoesch, Kloeckner, Thyssen and various Saarland firms.

SPIEGEL: The Federal Chancellor thinks he will be able to offer a compromise at the time the government policy statement is issued. Do you think it conceivable that the Social Democrats may agree to a scheme running counter to your demands?

Vetter: I do not, nor would I, from the depth of my soul, advise the Social Democrats to try it. The labor unions would interpret this as the clear victory of the FDP and a declaration of war on the concept of codetermination generally. In such a case the labor unions would be compelled to challenge the government directly. Thirty years ago we, on the Rhine and the Ruhr, were prepared to strike for codetermination.

SPIEGEL: If your claims are to be met, the FDP will have to retreat completely. We cannot see that happening.

Vetter: In that case the coalition will have to declare bankruptcy with regard to this central sociopolitical issue. We will certainly not yield.

SPIEGEL: The treatment of codetermination by the coalition cannot, therefore, make you very happy...

Vetter: ...Certainly not at this time.

SPIEGEL: In other respects also the trade unions have not much cause for satisfaction. Nothing is left of the comprehensive catalog you handed the Federal Chancellor before the coalition negotiations.

Vetter: Give me an example.

SPIEGEL: A list compiled jointly by your executive board colleague Gerd Muhr and Labor Minister Herbert Ehrenberg represents a package for combating unemployment. We quote: State measures to create jobs, especially for social services--deleted. As nearly 60 percent of the unemployed are unskilled, the shortage of skilled workers is to be made good by improved training--deleted. Gradual transition to ease the departure (to use this euphemism) of older workers from gainful employment--deleted. We could continue this recital.

Vetter: The list of deletions is not yet in our hands. But should you be correct, we will certainly have to consider whether we are able to agree to such government policies. In the coming years we will have up to 1.5 million unemployed. No social-liberal coalition is able simply to shrug this off.

SPIEGEL: Apparently it is indeed quite able to do so. According to the coalition agreement labor market policy is out. For years the DGB has called for a general labor market tax, in other words the participation of civil servants and the self-employed in the cost of further education and unemployment. Such a tax will not be

introduced. Instead, from 1 January 1981, employees will have to pay higher retirement insurance contributions. That saves the Federal Government money which is to be used to finance unemployment insurance. Do you consider that a reasonable coalition agreement?

Vetter: Let us hope that it is just a tentative agreement. It is not reasonable.

SPIEGEL: When the government was formed nobody expected the labor unions to have their way in all respects. Yet we are struck by the fact that none of their wishes seem to have been met. The electoral law for social elections was to be amended in favor of union representation of the employees, fragmented health insurance rights reorganized; enterprise pensions were to be improved, a new and flexible retirement age limit introduced. None of the above was in fact approved.

Vetter: We are now in an age when our economic and social life is subject to great strain. Considering your description, I see this government program as an attempt to maintain our standard at least in the economic sector--in order to be able to continue reforms from this platform. Only by assuming this can I even tolerate some of what is about to happen.

SPIEGEL: That holds good only for the proposals which involve money. A new electoral law for the social elections, for example, does not cost anything.

Vetter: Nor does the assurance of the iron and steel codetermination.

SPIEGEL: And yet, for sociopolitical reasons, that has not been approved either.

Vetter: The government coalition should first achieve a frame of mind in which it can handle everyday affairs. If, as time goes on, we were to lose hope that this coalition can be made to move at all in the direction of the trade union claims, I would have to ask myself whether the section of the coalition supplying the motive force here has not in fact prearranged the breaking point.

SPIEGEL: Looking at the outcome of the coalition negotiations do you really have any hope for reform?

Vetter: Of course I expect that the last word has not been spoken in the matter of social and labor market policy, retirement pensions and codetermination. The FDP would be ill advised if it were to force us to give battle. Some of them might be amazed to see the DGB colossus able, if challenged to show the kind of muscle which is apt disagreeably to impress some politicians. A few months from now we are going to issue our new basic program. The Liberals behavior in the coalition will certainly affect our program discussion.

SPIEGEL: Is it not in fact a danger that the liberal-conservatives will gain even more influence in the course of the legislative term?

Vetter: If only the Free Democrats were finally to understand that we are totally uninterested in collectivism, that we see society as the basis for the development of the individual, of his subjective freedom. Then I could imagine that, if they were truly "free democrats," we could move closer to one another. If, however, we get nothing but ultra conservative policies, a conflict is inevitable.

SPIEGEL: Removed from the agenda is even such a reasonable claim as that for the reform of the working hours law which dates back to 1938. It was intended to finalize the 40-hour week, issue new regulations for overtime and introduce improved working conditions for night and shift work. That is resolute market economy which does indeed wish for the welfare of the individual, but by a different route than you have chosen.

Vetter: Should the representatives of big business permanently get the upper hand in this cabinet, a clash between the government and the employees is virtually pre-programmed. If the government program in fact turns out to be so negative, it will not last long because it would work against the interests of a broad section of the public.

SPIEGEL: The FDP is warning of changing majorities in the Bundestag. Would you welcome an alliance between the SPD employee wing and CDU social committees which want to see employees interests prevail in the Bundestag?

Vetter: We are certainly not married to this coalition. In the near future we will talk to the CDU also. If the CDU were to extend the hand of friendship to us, we would tell our friends in the SPD: Take a good look. There is now a majority in favor of settling an issue of great importance for the body of employees.

SPIEGEL: The Federal Republic has earned universal praise for its smoothly operating social partnership, its enjoyment of social peace. Would this peace in the Federal Republic be threatened should your hopes be in vain, should the Schmidt Government fail to follow the stage of consolidation by one tilted more toward the employees?

Vetter: Let me tell the SPD and the Bundestag faction of that great party just one thing: Everything approaching us in the way of tasks, from the consolidation of the economy and the strengthening of the state up to and including the security of our sociopolitical achievements--all that is a gigantic challenge. And to whom? To the body of employees. Surely the SPD cannot offer us this challenge in the style of the FDP? I am much concerned at the thought that this might result in the emergence of a conflict between the body of employees and the government. In such a situation let nobody forget the fact that the body of employees accounts for 80 percent of our society.

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## LEGAL, SECURITY IMPLICATION OF EXTREME RIGHTISM

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 7 Nov 80 p 7

[Article by Friedrich Karl Fromme: "Violent, Lacking Ideology, Short of Money? Right Extremism Requires Attention, Though Too Much Helps the Extremists"]

[Text] Interest in right extremism in the Federal Republic even affected the coalition negotiations between the SPD and the FDP; the parties discussed more stringent penal provisions, and that was remarkable because the penal code--as a consequence of memories from the Nazi era--includes precise provisions regarding right extremism (for example an explicit ban on national socialist propaganda) but not left extremism. The coalition negotiators thought that the ban on the distribution of national socialist propaganda was not matched by a similar ban on left extremists--a view confirmed when one looks at the bookstores openly operated by the various communist groups. Experts, however, dispute that view. An elucidation of the situation can certainly do no harm.

The question arises, though, how such a proposed defense may be reconciled with the plan to reintroduce in the coalition program the deletion of article 88a of the penal code, which deals with the anticonstitutional advocacy of violence. In the end this was not enacted by the last Bundestag following an objection from the Bundesrat. This article, introduced on the occasion of left terrorist incidents, also affects extremists on the right. Nobody can deny that these are increasingly inclined not only to "hold" anticonstitutional attitudes but also to express them in violent action. Admittedly we are not quite so sure as we were at first with regard to the bomb attack at the Munich Oktoberfest, which claimed 13 victims on 26 September last. The security organs are still convinced that the 22-year old Tuebingen geology student (whose name was promptly disclosed in the media) was in fact the perpetrator. The reconstruction of the event does not really allow any other conclusion. In contrast to their reports about left terrorists who, after all, went so far as to boast of their operations before trial, the media named that student without the addition of the usually indispensable word "alleged." The Hamburg weekly DIE ZEIT deserves praise for recently reproving them. Investigations in the (small) circle of acquaintances of the student appear increasingly to confirm the security organs in their view that he was embroiled in a multitude of personal troubles, and that he acted alone. The motive is still unknown. We can only speculate whether he wanted to "sacrifice" himself or put down the bomb and walk away. We have no experience of any kamikaze mentality among right extremist terrorists.

After the attack a link was claimed to exist between the (alleged) criminal and the "Military Sports Group Hoffmann" (WSG), banned on 30 January last for anticonstitutional right extremism. Hoffmann and six of his close associates were arrested, but as no arrest warrant was forthcoming, the seven men were soon released. The whole event actually served to create publicity for Hoffmann who, in his journal *ROMANUS*, likes to boast of his martyrdom in various prisons. It is also an encouraging sign of the sobriety of justice which refused to be influenced by the pressure ensuing in the course of the election campaign and by the assertion that the deed necessarily had to be done by organized right extremists. In fact there has not so far been any proof that the WSG had anything to do with the Munich bombing. The student is alleged in 1977 and 1978 to have attended two so-called WSG exercises. In these one or two dozen group members with obsolete weapons and clad in black "uniforms" ran around in the woods. At the time this was considered a mixture of harmless idiocy and dangerous game playing with certain fires from the past. But even the attendance of the (at the time) very young man in such silly "defense exercises" is documented only by the WSG car index; there is no evidence that there were any further contacts between the alleged killer and the WSG.

The ban imposed on the WSG had invested it--possibly without much reason--with the aura of an acutely dangerous right extremist association. At least so far no post facto confirmation can be derived from the attack in Munich. After the ban on violent left extremist associations the Federal Government indicated in response to all inquiries that it would be better "politically to combat" such excesses (whatever that is supposed to mean), and that it was easier to keep surveillance on and control of extremist associations if they were not banned. In the case of the WSG that happened even after the ban. Its immediate execution was ordered. Hoffmann appealed to the Federal Administrative Court against the decree but did not apply for a stay of execution. On 23 November the Federal Administrative Court will deal with the appeal against the ban.

The WSG is still under surveillance. It seems to be trading in motor cars destined for the Near East, though business seems to be on the slow side (it is said that no more than 1 dozen vehicles are involved). These transactions are more likely to be designed to raise money than further international conspiracies. Admittedly the authorities believe to have some indication that the WSG which once enjoyed a certain publicity provided by foreign television companies, is returning to a more conspiratorial behavior. In other words, the agents of the Federal Office for the Protection of the Constitution (BfV) will have more trouble to keep an eye on the group. Luckily cooperation between federal and Land authorities has not been much disturbed by the Bundestag election campaign. No less a personage than Federal Chancellor Schmidt had overstepped the mark during the election campaign, accusing Bavaria of lacking good will as regards the ban on the WSG. And yet Schmidt could have consulted the banning decree of his own Interior Minister Baum and discovered that Baum alone was authorized to issue it, because association membership was diffused beyond Bavaria. Moreover, the Bavarian authorities--in whose territory the WSG has its stronghold--had acted beyond reproach in aiding the federal authorities. It is somewhat odd that Hoffmann's GDR background is still kept under wraps. When security officials are asked whether there is indeed such a background, they look pained and only hesitatingly answer "yes." And that though the fact becomes perfectly obvious from a look at Hoffmann publications. Hoffmann was born in Nuremberg but seems to have gone to the GDR at some time and returned later. Nobody

has ever asserted that GDR refugees tend to be particularly prone to right extremism. The officious silence about this part of Hoffmann's past merely provokes such speculations which, though admissible in individual instances, are generally far off the mark.

The ban has brought the WSG (400 "members" including 60 "activists") more interest than it seems to deserve. Suspicion of dangerous violence is far more justified in the case of the "German Citizen Initiative" of former attorney Roeder who is now in prison pending trial. This group is alleged, for example, to be responsible for an arson fire in a Hamburg hostel for foreign workers on 22 August last, which killed two people. This was preceded by attacks which, luckily, did not involve loss of life. Roeder began his right extremist career rather more harmlessly. He started by daubing pornographic movie posters, thereby causing wilful destruction. Toward the end he seems to have been about to try and match the left terrorists in conspiratorial operations and acts of violence. The fact that Roeder's association was not banned has to do with the criteria set by the association law of 1964: The authorities had to go to a lot of trouble to meet these in the case of the WSG too. This group is not an association in the meaning of the legal provisions either. That also indicates a trend to conspiratorial forms, as a consequence of which right extremism is even harder to deal with.

Still upheld, though, are the phrases used by the federal and Laender authorities to embellish their reports on the defense of the constitution: Right extremism is getting more dangerous but still does not compare in its dimensions to left extremism. In the first half of 1980 (which includes neither the Munich nor the Hamburg attacks) "acts of violence" rose to 48 compared to 42 in the first half of 1979. "Acts of violence" is a term which also includes wilful destruction of property. On the other hand "excesses"--a somewhat nebulous term used by the security agencies--declined from 890 and 739. "Excesses" include any offense, even the slightest infraction of the ban on uniforms. Certain people allege that the prosecuting agencies are "blind in the right eye." That tends to be an ideologically motivated parroting of slogans which may have had some truth in the Weimar era. In the first half of 1980 128 valid convictions were recorded (compared to 97 in the first half of 1979); another 185 convictions, pronounced in the first half of 1979, were not yet legally valid; the comparable figure for 1979 was 102. On 20 June 1980 774 investigations were under way concerning alleged right extremist offenses (comparable figure for 1979: 693). These figures clearly show that the prosecuting agencies are extremely sensitive to right extremist "excesses," regardless how the statistics might value the comparison between 1980 and 1979. At the same time the figures also prove that it would now be quite wrong to talk of an acute right extremist danger.

The National Democratic Party (NPD) is still the only party seriously entering the lists as a right extremist group. At the Bundestag elections of 3 October last it got no more than 67,000 of the crucial second preferences (equivalent to 0.2 percent); in 1969 the party was still represented in several provincial assemblies, now it is out of all of them. At the 1969 Bundestag election the NPD nearly changed the course of German history: At 4.3 percent it needed only a hair's breadth to have it enter the Bundestag, a circumstance which would have required the grand coalition to continue. The NPD lacks a fuhrer figure as much as it lacks money; most of all it lacks ideological cohesion and self-confidence. In his journal KOMMANDO the WSG's Hoffmann had an article begin by reproducing a question addressed to him, the "chief,"



asking how long it would be before the "seizure of power." Hoffmann replied by an appeal to persistent and combative patience. This would be inconceivable in the NPD. At the end of November, arising from two proceedings under the civil service law, the Federal Administrative Court will pronounce on the NPD's "hostility to the constitution."

Assuming that there is a certain political potential for right extremism, we would have to conclude that another group will have to fill the vacuum left by the NPD. From this point of view some attention is due the "National-Libertarian Right" of Munich publisher Gerhard Frey who has achieved a considerable circulation for his weekly DEUTSCHE NATIONALZEITUNG. A "NSDAP/AO" (this stands for foreign and/or build-up organization), operating from America and supplying neo-Nazi writings to the Federal Republic, on the other hand, cannot be taken seriously at this time.

This "NSDAP/AO" offers no difficulties regarding its classification in the umbrella term "right extremism" and the subsidiary category "neonazism." Displayed demonstratively are pictures of Hitler and swastikas, and quotations from speeches by Nazi leaders are approvingly served up. The history of the past 50 years is told from the aspect of National Socialism. How are we to distinguish between (anticonstitutional) right extremism and (permitted) "right" attitudes? The BfV must have some idea on what to concentrate its (weak) forces. While the "left" does not offer any difficulties--however paraphrased, the "dictatorship of the proletariat is an anticonstitutional goal--, the "right" resists definition, due to the lack of any specific ideology. Some criteria have been cited, but they do not by themselves suffice. For example: Rejection of the parliamentary system (but it would be permissible to recommend a presidential democracy, and among the left there is a serious effort to achieve a Soviet system); overemphasis on ultra nationalism (but who is to draw the limits of permissible though possibly undesirable nationalism?), or--as the latest Federal Interior Ministry report on the defense of the constitution says --"undue emphasis on the interests of the 'national community'...to the detriment of individual interests," which would result in "undermining the constitutional rights which largely guarantee individual liberties." This feature is particularly vulnerable. Already there is some dispute whether constitutional rights are in fact largely individual rights, or whether--and that is the trend of Federal Constitutional Court verdicts--their totality represents a value order by which the whole ("national community" is a word which means the same but has now fallen into disfavor) must orient itself in its capacity as the sum total of many individuals. The modern social state, in particular, often requires individual interests to take a back seat to the common weal as defined in each case.

Definition is much easier when we add the ingredient of the inclination to conspiratorial behavior and violence; in that case "neonazi" tendencies are usually involved also (for instance militant antisemitism). "Old nazism," on the other hand, is virtually extinct. The older people among the "Neonazis" are around 50, have therefore experienced the National Socialist regime at most as adolescents, and often rediscovered national socialism in a rather selective interpretation which allows for a good deal of criticism of some Nazi phenomena. The Baden-Wuerttemberg police mention "reawakened Hitler Youth who...have reclaimed their youthful beliefs." Some allege--although that is not much more than hypothesis--that the progressive inclination to violence apes left extremism. At any rate there is a paper making the rounds, entitled "The Legend of the Big Bad Wolf," which offers instructions for the



manufacture of explosives of all kinds; the style is that of cynical humor, reminiscent of comparable writings by left extremists. Not lacking either is the mockery of the security organs: To ease their labors, they are informed of the model on which the text was typed. Anyway, fooling around with explosives is on the increase among the 30 current right extremist groups and, as we know, someone who has done that for some time is tempted one day to succumb to the attraction of more intense involvement by way of using the stuff.

Compared to left extremism, right extremism is insignificant despite all temporary alarms. Minister Baum is certainly the last to belittle right extremism, but the latest BfV report mentions around 17,000 right extremists in 1979 while the DKP alone has more than 30,400 members; in addition there are the followers of the unorthodox left and ancillary DKP organizations. There are now fewer right extremists in the civil service but, according to official figures, more left extremists, the tentative estimated number is quite remarkable. Mentioned for Hamburg is a figure of 50 left extremists in the civil service. Right extremism is not backed by any firm and mandatory ideology. One of the better known right extremists is said to have written something of a major book in prison (in imitation of a certain model), but the book was never published even by the underground press.

Nor do present-day right extremists nurture any particular devotion to the older literature connected with National Socialism, popular nationalism or even simply linking socialism with nationalism (a camp which, in the 1920's, boasted several intellectually respectable authors). The right extremists have not succeeded in infiltrating certain organizations of democratic parties; left extremists have done so to a very large extent. The BfV reports indeed have sometimes been afraid of noting the full extent of this infiltration. Nor did right extremists succeed in achieving public "unity of action" with sections of democratic parties. Again, as demonstrated by the anti-Strauss riots, the DKP was indeed able to score some successes here. Should, somewhere, an undercover NPD follower infiltrate a CDU organization, he would hide his real inclinations; the DKP quite openly appeals to the SPD for socialist "unity of action." Last not least, right extremism is backed by neither another state in Germany nor a superpower.

Nevertheless right extremism is dangerous, though we must keep our assessment sober. It injures the Federal Republic's reputation abroad. It has money, not a great deal but enough to permit a Hoffmann, for example, who has long ceased to work as a printer, to restore a ruined castle--albeit with the voluntary labor of his followers--repair rusted war materiel and have uniforms tailored. There are donors who remain anonymous but provide amounts which occasionally reach four figures. Moreover publications fluctuating between right extremism and neonazism enjoy some considerable distribution, although possibly their attraction is due more to curiosity than anything else. We must ask ourselves whether ultra nationalism as a political factor was really wiped out in 1945, or whether it could conceivably be revived. In the latter case it could strengthen right extremism, especially if parliamentary democracy, largely interpreted as an agent of prosperity, should one day fail in this respect.

German security agencies admit that they tended for some time to underestimate the strength of relations between militant right extremism/neonazism and foreign organizations--for example in France, Italy and even the United States. Still, these

are relations with a section of politics which, in these countries, lives "underground." They are not tied to a monopolistic state power as is the case of the left extremists. To cite an example: The Soviet Union openly backs the DKP. Neonazi groups get private and well hidden aid from small groups in other countries. The public at large in these countries abhors the actions of such groups--this was possibly the reason for the ban on the WGO. From this aspect the trial before the Federal Administrative Court assumes particular interest.

Democracy can do several things to inhibit the growth of the right extremist peril: Surveillance and repression which are still admissible here, in contrast to the treatment of the extreme left. A "positive defense of the constitution" would imply that democracy should avoid laying itself open to attack: Reasons for attack might be indecisiveness, bowing to strong interest groups, underemphasis of national concerns. Also to be taken into consideration is the German inclination subjectively and unconditionally to adopt as well as easily shift allegiances.

On the other hand democratic politics do right extremism a favor if they exaggerate its importance, even if foreign political motives require a certain balance to be achieved by the acknowledgment that the danger is the same from the right as from the left. For a long time left extremist criminals enjoyed a lot of publicity. Ideological roots were carefully traced, and it was a popular pastime to unearth noble (if slightly tarnished) inspirations. If the same should happen in the case of right extremism (so far largely ignored by the vast majority of the public), the extremists might come to enjoy a situation in which they would gain access to the range of existing political opportunities.

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## MILITARY RESEARCH, DEVELOPMENT NEEDS JUSTIFIED

Paris DEFENSE NATIONALE in French Jun 80 pp 43-56

[Article by Maurice Bensadoun: "The Focus of Military Research and Development--From the Viewpoint of an Electronics Manufacturer"]

[Text] At a lecture that he delivered at the IHEDN [Institute for Advanced National Defense Studies] and published in the January 1980 issue of DEFENSE NATIONALE, Yvon Bourges, French minister of defense, explained what the contribution of his ministry could be to scientific and industrial research and progress. It is interesting to present to the readers of DEFENSE NATIONALE the viewpoint of an industrialist even if the latter is very closely linked to all armament matters by virtue of his professional past and the operations of his company. This opportunity is given to us by senior armaments engineer (reserve officer) Maurice Bensadoun, director general of SODERN [Nuclear Study and Production Company], through the presentation that he made at the IHEDN on 9 February 1980.

## Happenstance and Necessity

The "research and development" path is a narrow one. When he sets out on it the industrial entrepreneur becomes the prey of almost metaphysical anxiety. He finds himself before a kind of mystery of creation and, depending on his convictions, he invokes providence or chance. I would rather quote Democritus:

"Everything that exists in the universe is the consequence of happenstance and necessity."

Research is indeed characterized by a twofold infinity of happenstances: On one hand those happenstances which rule over the efforts of the researcher and lead to discoveries here and there, and on the other those happenstances which match this discovery with a need, an application.

Naturally, the genius of the industrial entrepreneur is to put these two infinities within as rational limits as possible from which stem the resulting applied research and development. These limits are premised on necessities, economic necessities which are evaluated in the context of the general policy of the firm and the domestic and international circumstances in which the policy is set. These necessities are today impregnated with social aspects and human dimensions.

## 1. Industry

### Research in Industry

What I have just told you about happenstance and necessity explains the fact that the industrialist broaches research with an awareness of his long-term responsibility and that he treats it as an investment first and foremost. But this is a high-risk investment, and the only way in which the industrialist can limit these risks is to strictly limit the monetary and manpower resources that he allocates to his research.

This is only a passive aspect of management: The industrialist does not launch on research activity for the pleasure of limiting its financial risk. Rather, he must launch on this research with the resolve to orient it toward goals that are as specific as possible. Now, to secure products from research is not a simple matter. Even though it has been hotly discussed for a long time now, no convincing criterion of productivity in the laboratory has ever been identified. One is thus obliged to manage research by making a very subjective compromise between contradictory goals.

Indeed, it is conceded that researchers need time and freedom. The continuity of a research team is essential both as regards those who make it up and the subject for which they are responsible. It is also recognized that a research team becomes easily isolated and then runs the risk of drying up. The firm's philosophy regarding its research is then measured according to the respective weight given to continuity and renewal, freedom and constraint.

Renewal is not only renewal of the themes of research to adapt them to the concerns and goals of the firm but is also the renewal of the researchers by blocking out their research careers, by injecting new blood on a regular basis.

The constraint is to devote an appropriate part of research to directed topics with a programmed conclusion. It is also to limit the volume of the means rather than the volume of the research activity by considering that the motivation of teams is always higher under a certain amount of pressure.

It will be more illustrative to give the example of an industrial laboratory, that of the LEP [Electronics and Applied Physics Laboratory]. This laboratory has some 400 workers nearly half of whom are researchers and whose purpose, evidenced by the firm's name, is to undertake applied research.



To achieve this purpose it was decided to give priority to the freedom and continuity of research. The first freedom of a director of research is to be relieved of financial worries and to be assured steady revenues to fund his laboratories. Thus, LEP is an entity which, according to its bylaws, is financed by its stockholders. It has no commercial goal in the traditional sense of the term. It does not sign agreements with outside clients except in the context of its own research areas and up to a maximum of between 10 and 20 percent of its operations. In the same spirit a small portion of its activities is earmarked to satisfy internal orders from its affiliated companies which thus guide it toward their short-term concerns. This safeguards the continuity, specificity and independence of its research activities while giving its clients, from outside as well as inside, the benefits of a resource that is constantly updated out of its own funds. Still, its contracts are of major significance to LEP even if their principal goal is not to yield profits to the company. Rather, they make it possible for the firm to maintain a concrete dialog with the outside world, national and international, scientific and industrial. This choice favoring research as free as possible from the constraints of industrial and commercial management is possible only within the framework of a structure of major dimension in which research and development can be treated as separate units, each of them having their own purpose. That is how one of the companies affiliated with LEP, namely SODERN, undertakes--in some of the minor technical operations of LEP--the responsibility for development which stems from full-fledged industrial and commercial management with the constraint of a genuine operational account.

It should be added that one of the functions of the industrial laboratory is to insure the indispensable extension of its research activities toward development and production. Beyond all the difficulties represented by this transfer of knowledge it is the last analysis through the transfer of individuals that it is best realized, and it is by serving as a seed bed for development and production that the laboratory assures its own rejuvenation.

#### Development in Industry

I would like to make two preliminary comments.

The first will be a short historic reminder. Industrial research is of relatively recent creation since it only dates back to the 1920's following the end of World War I. Until then research had been the personal adventure of a few isolated individuals, naturally misunderstood and ready to burn their furniture for the sake of pursuing their work. We all recall Bernard Palissy whose highly moralizing example filled the tales of elementary schoolteachers between World Wars I and II. But in very short order, particularly in the United States, industrial research disclosed its original needs: The establishment of joint teams of scientists and engineers. The result was the notion of "Research and Development" which witnessed the familiar success after World War II.

My second remark will be of a semantic order. When one talks of managing firms and even more when one talks of managing research and development, one faces a problem of semantics that is difficult to solve because it is a victim of trends, neologisms and "Franglais" [a mixture of English and French].

French vocabulary alone is perplexing: The notion of development is sufficiently vague so that the terms studies, projects, predevelopment, exploratory development, industrialization, militarization and others which I have undoubtedly forgotten are used simultaneously. This semantic diversity can, however, be reduced to two approaches: Development can be considered either as the end of a research process or as the beginning of an industrial process, a process which incidentally ends up very far downstream with the client.

In both cases development includes all the risks associated with the startup of the clock which measures the time factor. It is only when the product of research is available and is credible--most often thanks to a laboratory model--that development can be started as a function of a given application. I said that it is "possible" to start development. However, the effective decision for same is taken only after a careful evaluation of the marketing goals and the construction of a program accompanied by constraining costs and delays. That is where the time factor intervenes, a factor whose effective consideration is relatively recent. Some of you will recall that overruns of annual budgetary ceilings for military programs date back only about 20 years.

I recently heard over the radio the head of state explain as regards the construction of nuclear power plants the kind of political courage required by decisions whose effects are felt 5 years later. The development industrialist is faced daily with the making of decisions 4 to 5 years ahead of time to gauge their merits and success. The time factor thus puts to the test the managerial capacity of the industrial entrepreneur who simultaneously has to evaluate the following:

On the technical level, the gap which separates the product emerging from the laboratory from the industrialized product;

On the commercial level, the hazards of the product's adaptation to the requirements of the marketplace.

Additionally, the more innovative the product the greater are the difficulties of evaluation. Also, in advanced techniques, one must consider the rapid aging of technology. Time needed for development and the life expectancies of products face the same problem. Indeed, any delay in development leads to an outdated product.

The decision to launch a development program is in some way irreversible. The development process is a gear: Engineers demonstrated in short order that once the point of no return is past it is more costly to halt the process than to continue. There is no comparison between the financial magnitudes involved [in the research stage and those] as soon as one moves beyond the research stage and launches on the development stage. Any error of evaluation is thus severely sanctioned in financial terms: Such error not only results in cost overruns in development but also leads to excessive manufacturing costs and impacts heavily on the volume of anticipated sales.

Under these conditions one will understand that the industrialist considers the development stage warily and that he would naturally seek to orient his activities to less risky scenarios, that is, to products whose development is complete and whose market is guaranteed. That is why the industrialist is not so fascinated by a technical mirage and does not move so easily toward innovation. To guide his choices toward promising strategies, he needs prospective tools which he does not always have the means to acquire. The industrialist confronted with the research and development challenge thus counts on government intervention to share with him risks of a particularly high order, it being understood that the principal risk, the risk of the entrepreneur, continues to be borne by the industrialist.

### Electronics Sectors

There are, in fact, two electronics sectors: Mass consumption electronics and professional electronics. It is not technical sophistication which sets them apart: A television set is a mass consumption product even though it calls for a high level of technology. It is no less sophisticated than an oscilloscope if one goes by the technique of design. But it would be exceptional if the user of an oscilloscope were to give priority to the color of its case.

Professional electronics, therefore, stands apart by its narrow-based and rapidly evolving market and its knowledgeable and demanding clientele. This is another way of defining the necessity of development and innovation. Thus, professional electronics is a sector of industrial activity where research and development have continued to play a primary not to say exemplary role for more than half a century. Professional electronics has participated in all major technical innovations since the wireless telegraphy of General Ferrie, telecommunications and data processing, naturally, but also aeronautics and space, the nuclear field, the medical field and armaments, obviously.

One may wonder about the reasons for this exceptional productiveness. Naturally, technology has made such progress that all its possibilities will not be exhausted in short order. But more fundamentally, electronics has introduced new intellectual attitudes, new modes of reasoning whose generality has made it possible to pollinate constantly ever-widening fields of application. Biology, which in 1980 is still a science of the future, is exemplary from this viewpoint.

Professional electronics also seems to be the cement of multidisciplinary projects by supplying to engineers of different disciplines working as a team the basis of a common language and by training them to use a systematic approach, that is, a more global vision of problems. This is an essential step for innovation.

I would not want anyone to perceive in this praise of electronics a brief for the glory of electronics specialists: Today everybody is knowledgeable in electronics in the industrialized countries. That is an essential force in the future of developed countries (if the present energy crisis should continue to allow them to enjoy such advantage), developed countries which see their industrial power battered by the incredible dynamics of an ever-widening

band of developing countries. Professional electronics, through the intellectual resources that it represents, by virtue of the innovative potential that it holds, because of the capacity for expansion that it implies, is one of the rare domains where the West can still view the future with optimism and enthusiasm. It is one of the few fields in which our country can hope to retain a position as a great power.

## 2. Government Intervention

### Its Necessity

Government intervention in the field of industrial policy is, naturally, not a French specialty. Even a free United States has built a protectionist arsenal and passed economic legislation whose connections with the notion of free enterprise are often difficult to discern.

It is self-evident that government intervention is necessary, that it meets very diverse concerns, and that it therefore assumes numerous forms. As far as our country goes it is undoubtedly one of the best organized in the world even if it is naturally subjected to contradictory constraints. The French industrialist must first recognize its merits, reflections of the intellectual and moral quality of an administration whose members are motivated by a long tradition of general interest and continuity of the state.

My purpose is to show you, from the viewpoint of the industrialist, how government intervention is seen by someone who, like myself, has moved successively on both sides of the barrier as a public official and as an industrialist.

It seems to me essential to recognize first that government intervention is necessary in the field of research and development. This is a fact which even the public at large has come to understand with the energy crisis. It is a fact which the industrialist experiences in his own way. It is indeed commonplace to say that we are in a state of economic warfare and, in that war, the industrialist is the infantryman. Naturally, our position is most vulnerable in the most advanced sectors. In these sectors investment is heavy in the training of individuals, in the formation of teams, in the cost of basic equipment, in the time factor, and consequently in financing. An aggravating circumstance is that the market is insufficient at the national level, narrow at the world level, and often reduced by political limitations or the constraints of military security.

Now, as in the hot or cold wars which France must face, we must accept with realism the fact that we are a country of intermediate size and power. We are, therefore, not in a position to sustain economic warfare without intensive preparation mobilizing all our public and private resources.

Only the government can organize such mobilization.



## Its Methods

In a general manner, among all the aspects which government intervention may take, the industrialist is involved in two of them which dominate the government-industry relationship: The government-tutor and the government-client.

I believe that in the field of military research and development this government-industry relationship assumes an exemplary character, by virtue of the magnitude of military research and development and the share held in it by industry (nearly three-quarters), by virtue of the government's own industrial control in this field, and the quality of the organization put in place in the past 20 years. This government-industry relationship also seems exemplary to me because I do not see an industrialist launching along the arduous path of research and development with the sole purpose of securing government subsidies or contracts and because there is added to this an irreplaceable specific element--the spirit of defense.

In the military sphere the government behaves first and foremost as a client and it is undoubtedly the supplier of provisions to the armed forces which launched government-industry relations along a tradition dating back to the dawn of history. This tradition represents an incomparable force. One does not build a structure that is as effective and balanced as the French General Delegation for Armaments without relying on a long tradition. The military government-client is thus well structured. Additionally, it appears to be voluntarist and disciplined: It has a clear vision of its goals.

Because of this its industrial policy is naturally limited to the establishment, organization and protection of the instrument necessary to the realization of armament programs. In this context, military research and development have their own purpose: I find it completely natural for the industrialist to place himself in this context before introducing into it his own goals and constraints.

Naturally, in the increasingly enlightened approach which the administration takes for satisfying its goals factors of economic, social and technological environment are taken into account which transform into a veritable industrial policy what could otherwise be limited to a mere policy of providing supplies. It is in this context where the government closely intermingles its tutor and client functions and industry introduces into its economic imperatives concerns of general interest that the government-industry relationship becomes upgraded to a veritable dialog.

## 3. Consequences

### Pedagogical Impact

This dialog immediately leads to two somewhat unexpected consequences, one of them bearing on the training of the industrialist and the other on his attitude as an entrepreneur.

I belong to that generation which has sought the keys to industrial success in the United States, which has been dazzled by the prestige of American universities. The spirit of Harvard has dominated the economic culture of French leaders. We have gone to seek very far what we had had at home for a long time: the best school of world affairs management teaches us nothing but the rigorous nature of military organization. The first consequence of the activities of the military government-client is its pedagogical impact. How many industrialists have learned to analyze and surmount the risks of research and development under the pressure of the military client!

#### Spirit of Enterprise and Spirit of Defense

Naturally, there is a deficiency. It is the notion of profits which, unquestionably, has no place in military pedagogy. This deficiency introduces into the government-industry dialog a weakness that is all the more regrettable as, simultaneously, it is held against the industrialist that he has no motivation behind profit-making. I believe that I can say that this is a limited view of things and that the basic asset of the industrialist is his spirit of enterprise.

Naturally, the spirit of enterprise is not a value earmarked to the industrial firm. The spirit of enterprise, which is at the outset a highly individual characteristic, cannot really evolve except in a favorable collective field. It is even truer in difficult and risky human enterprises. It, therefore, remains the essential driving force of those who enter by the narrow gate of research and development. That is the one which guides choices in the strategy of the firm. On the quality of these choices depends the success of which in the last analysis only profits are the undisputed reward.

Unfortunately, there is not in the management of industrial firms any universal key to making sound decisions and, among the hazards which govern these choices, subjective and moral factors of general management have a decisive weight. That is when the spirit of defense reactivates the spirit of enterprise and brings in some cases a unique boost to industrial dynamics. Especially in research and development the military government-client knows how to inject into the enterprise motivations which economic concern alone would not have introduced. This does not occur merely at the level of management. The personnel and their representatives in the enterprise committees also make the greatest concessions of priority to the spirit of defense.

#### Effect of Terrain

On these bases of an intellectual and moral nature are built the technological and technical parts of military research and development with their extensions on the commercial level in the domestic market and the international market. I shall not reiterate here the survey which the minister of defense\* has outlined regarding the consequences of what one might call the domestic

\* See the above-mentioned article of Yvon Bourges in the January 1980 issue of DEFENSE NATIONALE

technological and technical military investment effort. I would merely add in explicit manner that the dialog, which overhangs this effort, is an essentially repetitive measure testifying to the profound interconnection of the civilian and the military, of the private sector and the government sector.

This dialog leads to a sort of sharing of the risks within the framework of what I would call the effect of terrain. For this cooperation can develop only in a favorable terrain. The government's responsibility is great to sow seed in fertile soil. The responsibility of the industrialist is great not to accept any but good seed.

#### Diversification

I am persuaded today that the quality of this dialog--a reflection of the industrial competence of the government and of the maturity of industry--is the best answer to those who strive to set the limits of government intervention. Likewise, it is necessary to answer those who are concerned when they see industry getting ensconced in the comfort of military contracts, transforming the government-tutor into government-windfall.

In my opinion the best response is diversification. The diversification effort gives to the impact of military research and development an indispensable voluntarist component. Diversification is an essential initiative to start to move the results of technological and technical success induced by defense activities. The industrialist in this way marks his goal as an entrepreneur and deliberately exposes himself to the glacial wind of competition, evidencing the reality of his resources and the credibility of his enterprise.

The problem of prices in French industry then crops up. Numerous factors are in question. However, I should like to come back to the lack of the profit notion in the government-industry relationship. Even today the French industrialist continues to be charged with seeking to make a profit. Paradoxically, his losses most often give him a moral advantage in his dialog with the administration. It is certain that this philosophy has impacts which are not always considered--on competitiveness, for example. The beneficiaries of government contracts have the reputation of not trying to keep down their costs with all necessary vigor since the reduction in costs does not always result in a rise in profits.

Accordingly, government contracts are the subject of high-caliber regulation that is periodically updated and whose terms are evaluated at length: No one has ever found the term profit mentioned in them. Similarly, the National Assembly has made it a point to talk about the morality of France's commercial and industrial activity. It has striven to introduce in this manner a special supplementary tax on the profits of some firms. To my knowledge there are only two types of firms at which this distinction is aimed: Those which exploit pornographic movies and those which help to build France's nuclear strike force.

The goals of diversification are clear: In the fields of advanced technology the United States provides the frame of reference. The magnitude of the domestic United States market makes it possible for that country to maintain competition even in the most sophisticated interstices and the Americans can afford to cover all the tiny nooks by their own means. Diversification thus makes sense only if we are willing to compete with the United States.

All the European countries find themselves in the same situation: Their domestic market being often even narrower than ours, they use the organs of the European Community to assure for themselves the rights to markets that would otherwise be inaccessible to them. One is familiar with the so-called rule of "fair profit" whose consequences are most often negative on the level of Europe's industrial efficiency. Competition among European industrialists is thus organized by law among governments because the market open to advanced techniques is insufficient, even at the European level. Each country supports its national industrial champion with a vigor sharpened by reciprocal one-upmanship.

It is even more obvious at the national level and France, whose industrial potential in advanced techniques is reinforced by the military contribution, is led to organize whenever this proves indispensable an industrial structure on the basis of a national champion. Despite the inconveniences which result from the disappearance of industrial competition at the national level, in the last analysis it is a lesser risk for the government-client than to become the allocator of the shortage among national competitors. Naturally, this is acceptable only in the advanced sectors where the national market, too small, cannot insure a constant flow of contracts to industry.

This perhaps is the most subtle and the most profound consequence of military technical activity. I shall confine myself to mentioning three of its essential aspects:

1. The incomparable national investment represented by scientific training, technical training and managerial training of a group of high-caliber workers.
2. The spreading of this entire intellectual force in the nation, a direct and indirect distribution.
3. The emulation effect on the moral level of a certain national ambition and of a certain ethic of general interest.

#### Conclusion

I am highly aware of not having provided a demonstration, but I do not believe a demonstration is possible in the matter, that one can really measure the interest of military research and development by figures. There is no after-the-fact gauge any more than there is a before-the-fact optimization instrument.



There is a state of mind and a resolve: That is the testimony that I wished to make. In the context of a French-style economy, planned without excess, also liberal without excess, balanced in its growth, each industrial sector being entitled to respect, military research and development assume an essential place thanks to their emulation effect—I would even say inspiration effect.

A nation like an individual becomes wasted when there is a lack of ambition. Contrariwise, it becomes animated and reinforced in motivating work which raises it to the peaks of international competition, enabling it to meet the technological, technical and economic challenges. In these early 1980's which will undoubtedly mark a decisive turning point in the redistribution of human activities on our planet, I am persuaded that in the last analysis the only ones to find themselves in an enviable position will be those moved by the spirit of defense, a sublimated form of the spirit of enterprise.

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## PROGRESSIVE PARTY CHAIRMAN SPEAKS TO AUDIENCE

Athens ELAVTHINOS KOSMOS in Greek 30 Oct 80 p 7

**[Text]** At 1800 hours yesterday, Progressive Party leader Spyros Markezinis spoke before a large and enthusiastic gathering of Kalamata residents in the "Cine-Kastro" theater. Markezinis, constantly applauded by the large crowd which had overflowed the theater and by the audience that had gathered outside the theater, stressed the following:

"As the elections come closer and closer you will hear people telling you: Markezinis is alright, but why did he agree to become premier in the fall of 1973? If he had not made that mistake, he would have been one of the most valuable assets in July 1974. Now he carries on his shoulders all the sins of the 'junta,' which will stay with him and make him useless.

"Some others will tell you: Markezinis is alright but he is dangerous. He makes bold decisions and lets the chips fall where they may. Not to mention that he starts something good and then suddenly packs up and leaves. Besides, he is often unlucky!

"Finally, others will appeal to your patriotism: Markezinis is alright but do not forget, the votes that will go to him will be wasted. But this, especially today, can be a national disaster. In other words, in the face of the 'Papandreu threat' it is necessary for all to unite!

"I decided to respond to these questions as of today in order to clear things up and because in my campaign, which as I announced in Larisa will begin the second half of next January--barring of course any unforeseen event--I want to present the details of the Progressive Party platform without distractions.

"To begin with, I wish to state that I am responding in good faith to those who raise these questions. And I take up the first question. In October, 1973, I agreed to form a government because I believed that there was an excellent opportunity to return to parliamentary democracy. I knew that I was risking a great deal but I remembered the saying of Demokritos, 'risk the beginning of action and let fate command the ending.' Indeed, fate did not help at that time. I am referring to the Yom Kippur War. Because I sincerely believe that neither the negative stand of the political world which was such a great disappointment to me but also a

greater misfortune for the country, nor the insane action from within the armed forces would have taken place to impede my mission. Especially since all foreign countries expressed their satisfaction at the new development in Greece. The Arab-Israeli War caused no problem for the other NATO countries but it did in the case of Greece. The famous location of our country could cause complications and those who wished to follow an unblemished policy like all the other NATO members could not, as it happened, but suffer its consequences.

#### No Tolerable Solution Before the Trial on the Cyprus Issue

"I underestimated at that time the various reactions and I decided to govern without martial law and without censorship. But I believe that if the Arab-Israeli War had not intervened, the situation would have developed differently. Moreover, the overthrow of my government proved that I was right in having the courage to undertake the responsibility of government since those who overthrew our government not only did not lead the country to democracy, as some naive people prematurely thought, but initially led us to the Island of Yeros and finally to the debacle of Cyprus, so that the restoration of democracy was tied to the heavy national price of the First 'Attila' line in Cyprus. No one can deny that this was the birth of the present democratic system. One shudders to think that those responsible for this tragedy have yet to be called to account because presumably this is what the national interest requires. Indeed, how many terrible things have happened in the name of the famous national interest! Yet we will insist that without first holding a trial of those responsible for the Cyprus tragedy no tolerable solution can be achieved. All these points prove that instead of accusing me they should honor me. Because if my government had succeeded they might have been able to doubt many developments in the political sector, but there is one thing that no man of good faith can deny: the tragedy of Cyprus would never have happened nor would the serious national consequences which not only have continued for 6 years but are continually culminating into an extremely dangerous future for our country.

"I have proved, therefore, that I know how to sacrifice myself. And if they call overthrow my misfortune, I reply, bearing in mind the tragedy of Cyprus: Who was really hurt--me or the fatherland?

#### The Talk About the 'Juntists'

"Let me now turn to the view that whether or not I acted in good faith, whether or not I was unfortunate or sacrificed myself, I still inherited the 'junta' sins. But let us see first of all what is the meaning of this word. If my knowledge of history is accurate the first person to be called a 'juntist' in our country was Eleftherios Venizelos.

"During the Third National Assembly, in the debate--this was in 1921 when the national feud had reached its crescendo--as to whether the National Assembly should become a Constitutional Assembly, there was an opportunity for intense exchange concerning the past. At one point one of the most fanatical anti-Venizelist politicians, the deputy from Attikovoiotia, Khr. Miteopoulos, said among other inimitable gama: 'A Super-Constitutional Assembly is needed to wipe from the face of the earth this horrible Trinity (referring to E. Venizelos, Admiral Koundouriotis, and General P. Danglis) which of course was not that of the semi-gods Theseus or Hercules, but one whose composition has been sought in the notorious

"sunta" (now pronounced "junta") of the Spanish-Indian dictators of America--men like the bloodthirsty Francia, the tyrant of LaPlata, the Chilean human-sacrificer Rojas, the Vava or Morillo of Venezuela, the Mexican Santanna or Argitas, the arch-bandit of Paraguay. Because you are nothing but the Trinity of Destruction.'

"But let us set aside these funny stories and be serious. Which clause of the constitution divides the citizens into different categories? I am proud because in a period of acutely extreme disputes, keeping my sanity I charted the course which others took years to accept. At the time when we celebrated the victory of Gramos I was writing articles in ESTIA and VIMA and I was asking not just for amnesty [for the communists]. I was calling for a policy to forgive and forget. But, beyond that, when they talk about 'juntists,' do they at least have some limits in applying this epithet? Oh God, do help me keep silent! You all know that depending on their interests they are using in government positions many of those who collaborated during the 7-year [dictatorship]. Or, if they did not assume any position it was because the circumstances did not allow time for their appointment or because they were not used for other reasons. There is in all this an elasticity of conscience which causes nausea and disgust, especially when the so-called 'juntists' are gladly accepted as voters. But this elasticity goes even further. If we were to recall the period of the great national feud, we would see that during that period there was at least a moral issue. The Venizelists were violently against the anti-Venizelists who paid them back by the same token. It was impossible to find any person serving both sides. Among the many cases is that of the late Archbishop of Athens Khrysanthos from Trapezous. But this does happen today and this is the most dangerous sign of decay. But I shall not insist and I will agree with the Premier that in view of the extremely difficult days for the country it is necessary to keep as much as possible a climate of self-restraint, calmness, and, of course, an effort to avoid raising the specter of danger. If I spoke as I did I only wanted to reply to all those who are so greatly concerned about me--who are not a 'juntist'--and my friends because we accept the cooperation of 'juntists.' I insist that a truly democratic citizen does not divide the Greeks into various categories.

#### When National Independence and Integrity Were Endangered

"Let me turn now to another charge: that I am dangerous, that I suddenly abandon my tasks, and that bad luck accompanies me each time [I assume responsibilities]. I would have to make a long speech if I were to speak about a series of cases where my special role, important or not, had a truly risky nature. But that is not the question. What is important is the result not with regard to me but with regard to our fatherland. Anyway, even in the few, most characteristic illustrations I am about to mention, there is risk that I may be accused of being immodest. But what else can one do? When one replies to charges, whether true or not, he is obligated to speak the truth and to leave the judgment to his audience.

"I will recall the truly bold initiatives I recommended before the December uprising and during the December uprising of 1944. When all the details come to light--because there are unpublished documents--then, of course, I will be judged by some as being prepared to risk so much. At the same time, however, they will also conclude that the situation would have developed differently. Naturally there are those who think that this was unfortunate but I believe that what followed in the next 4 years, 1945-1949, saved Greece. I therefore proudly accept any such



accusation. I wish to make clear that at that time democracy was not only saved--as it is said occasionally--but, most importantly, the country's independence and integrity was secured along with democracy; otherwise, our fatherland, fragmented, would have been behind the Iron Curtain as, for example, in the case of Bulgaria. This is the naked truth and for this reason if, God forbid, Greece were to face the same dilemma it faced 35 years ago I would follow the same course! As you can see, I remain an unrepentant nationalist in the old orthodox meaning of the term.

"I will remind you now that the successful ending of the guerrilla war of 1946-49 would not have been sufficient if it had not been followed by the founding of the Greek Rally Party and through it the rehabilitation and restoration of the Greek economy. Then, in 1953-54, we laid the foundations of the new Greek economy, the third period in this century, following the periods of Dragoumis-Valaoritis, Zaimis-Kafandaris, and Papagos-Markosinis. At those times the most courageous economic policies were charted against the almost unanimous objections of the others. As it happened with the adjustment of the dollar to 30 drachmas, the complete liberalisation of trade, the first national loan, the elimination of the three zeroes from the currency and the law for the attraction of foreign capital, which with the system of European credits, another innovation, laid the foundations for the country's industrialisation. One bold and risky decision after another. Nobody denies it. But they forget that those decisions saved Greece, just as our new bold economic policies will save Greece again if we overtake the mob in this speed race.

"But let me turn to another bold proposal which unfortunately was not heeded. The nation paid the price. I refer to my proposal to completely forget the past--not merely granting an amnesty--exactly at the moment the nation was celebrating the Gramscian victory. I know that my articles then in ESTIA and VIMA made an impression and caused many comments. But I am also sorry because they were not accepted gladly in their entirety. I wish to remind you that I was the first to open trade relations with the Soviet Union and I am sorry that those who were in power in 1959 refused to pay any attention to the serious economic proposals which I presented following my official visit to Moscow. It is another story that Turkey took advantage of those suggestions. I will leave out a series of other developments and I will limit myself to mentioning how not only I but the entire opposition of that time united in the struggle against the Zurich Treaty on Cyprus which was the beginning of all the evils that followed.

"The conclusion is--and I would be happy to see those who disagree bring samples of their different views--that no doubt my political life has always been marked by risk, boldness and keen imagination. At the same time, whenever I was given the opportunity to implement my policies, I was possibly hurt in the short run but the nation always benefited. On the other hand, whenever I was prevented from implementing my policies--this risky, come what may policy--the nation was always the loser, the most recent illustration being the catastrophe in Cyprus.

#### Economic Stalemate and Covert Social Unrest

"They also accuse me of not getting everything together and then suddenly abandoning my work. They refer, I suspect, to my disagreements with very powerful individuals or to my resignation, and especially my resignation from the Greek Rally in 1953. The reality is not as it is superficially described. It is true that to support

my views I have disagreed at times with powerful individuals. Most cases are not known to many but, again, when my views prevailed, the situation developed smoothly.

"Be that as it may, in our country we find also this absurdity: to have, that is, someone accused because he does not resign--because, as Dimidis Kyriakou once said, no one remains in office against his will--and just as well to have him accused when he does. But I am proud to say that I have shown that I know how to resign and knowingly give up power instead of sacrificing my principles or my policies. But even those who would accuse me of not having stayed on and accepting anything will not deny that I was never led by the lust for power but exclusively by the holy passion to serve our fatherland as I thought best.

"This is exactly what I am doing today. When one year ago I announced the reactivation of the Progressive Party I did so after long and serious consideration. My old experiences, my old sorrows, and my great concern for the future of the country in view of an accumulation of international complexities and economic stalemates, which lead directly to the mob in connection with covert social unrest, prompted me to change my mind. I saw that someone had to have the courage to explain to the people the naked truth. This is the only way to awaken the people so they can react before it is too late. But the incentive to tell the naked truth would not have been enough had it not been accompanied by the method of facing up [to the challenge].

"Then follows the refrain which ties these developments to my ostensibly bad luck. Therefore, it is again necessary to set the record straight. I never claimed that my life has been easy--as it may have been for others. On the contrary, mine has always been harsh, difficult, and uphill, but this for me has been the best challenge. Because a man who has overcome so many hardships--and you all know what has happened to me--gains greater confidence in his struggle. They can also tell me what great [material] losses I suffered because of my attitude but I challenge anyone to give a single illustration in which my country was harmed because of my policies. Not only that, but although I was in office only for short periods, [I] challenged them to state it, my policies affected the long-range developments positively or negatively. It suffices to mention [my] economic policies of 1953-54 which remain valid to this day, while my overthrow in 1973 was followed by the Cypriot catastrophe and the misfortunes that ensued.

#### The Undecided 35%

"Let me come now to the old argument usually presented at the last moment, namely, that of the wasted vote. We progressives have never been cowed by this argument. We have always been fighters and this means that we are used to fighting under any kind of adverse circumstances. We have been inspired by the conviction that we are serving our country. But there is no need to dwell on the past because today this argument is without any absolute validity. The [electoral] contest will not be decided by 1, 3, or 4 percent [of the votes]. The probability that the governing party will win a majority to form a government under any electoral system is now a summer night's dream and this has now been fully understood by all and especially by those in power. Anyway, they accustomed us to changing the electoral system to fit their needs prior to each election. Never before 1956 were there so many experiments and yet they reached the point when they were no longer effective

because everything has a limit. So eventually, in spite of the electoral system, in spite of the fraud and pressure, the initiator of those policies chose to go abroad under an assumed name. Thus, we have again reached a limit: whatever they may put together, even simple proportional as a lifesaver, will take them down. The Mediterranean people--especially the Greeks--usually vote 'against.' Thucydides was the first to observe it when he said 'the present is always a heavy burden on the citizens.' In our time we saw it again in 1920 when the Greeks voted against Venizelos in spite of his creating a 'Greece of five seas and two continents.' But how easily people forget, since it applies also to the dream of [this government] completing the 4-year term. They forget that since the days of Kharilaos Trikoupi those who achieved it have paid dearly for it--sometimes with their death abroad. Thus, the argument of the wasted vote is without value. Because, if today 35 percent [of the voters] remain undecided, they are also decided on one point: to vote against those in power today. This is the 35 percent claimed by all the opposition parties, and I should not hide it from you that we wish to claim the lion's share!

#### What Worse Could Papandreou Have Done?

"There is now left only the ultimate and the weakest argument. Fine, but what about the Papandreou threat? This subject would not have been worth discussing were it not for those naive people who should be careful not to be deceived for a third time, since to err twice is not the mark of a wise man. It is easy to grasp the meaning of my words. The main factor for the rise of Papandreou's influence was the government's bankruptcy during the [past] 6-year period together with the demise of the center opposition, and also the very official treatment of Mr. Papandreou [by the government]. Older persons must remember that E. Venizelos himself created P. Tsaldaris in 1928 as leader of the opposition. Even recently, while Papandreou was accused by others of being a public danger, the Premier shared national secrets with him. I am not criticizing this, I am only asking myself what the average citizen will think. Consequently the 'national argument' has no basis. What remains is the essence of policy. But this is an argument that those in power today are the least entitled to invoke. Let me bring up only a few, but characteristic, illustrations. I am asking myself what more would Papandreou have done if he were in power--with regard, for example, to education, language, the church, nationalisations, the orgy of partisan favors, the abolition of any vestiges of meritocracy, the constitutional [changes], the royal throne itself.

#### By Your Vote Give Us the Power to Hold the Balance

"This is the conclusion: For us, Andreas Papandreou does not constitute a national danger. Anyway, we deny any form of danger-mongering--which usually hides conjectures or even strange objectives. We simply disagree radically with his policies. He, too, like us calls for a change--inevitable, fatal, inescapable. We differ on how this change can be achieved. He believes in socialism, we believe in the progressive free economy and in the meritorious--not partisan--parliamentary democracy. We want our foreign policy to be Greek, serving the Greek interests. The question is how to achieve this combination realistically, having, that is, a foreign policy which serves the Greek interests. Politics is always the art of the possible, not an abstract, academic exercise. Therefore, if you dislike the policies of the Panhellenic Socialist Movement [PASOK] you should not vote for those who created and strengthened it, but for those--namely us--who, showing a



better course with their specific policies especially in the economic sector, will prevail. Moreover, they should not promise something they cannot deliver. We, the Progressive Party, never resorted to demagoguery. By contrast, those in power today have been voted into office twice to implement a policy different from the one they actually followed.

"But let us now come to the last warning. Those deceived by this sermon of unity will be the ones who will simply waste their vote. Because their negative vote will never become positive by supporting those in power. By contrast, if you support us who are offering a splendid outlet, we will become the decisive force which will save the Greek traditional camp. Germany's illustration is truly splendid. For years the socialists have governed in form, but in reality the balance has been in the hands of the Free Democrats Schell and Genscher.

"The argument, therefore, does not hold. By voting for the governing party you give up any chance of participating in the next government. This then is the wasted vote. On the contrary, by voting for us you will enable us to hold the balance in a new government which will not have simply the power to implement its own policy but a true policy and not improvisations, a policy capable of securing for the Greek people a truly better tomorrow.

#### The People Are Kept in the Dark

"Coming back to the pressing current issues which, of course, I will discuss in detail during my campaign among the people, I wish to note the following: First of all, the government continues the inexcusable tactic which I have strongly denounced of keeping the people in the dark on the most critical issues. I emphasized this with reference to the question of our association with the European Community. I will limit myself today to reiterating that the Greeks should be prepared to know what awaits them every day after 1 January, the historic day of the accession when--thanks to the complete lack of preparation and the country's almost unconditional surrender so that it could receive the title of equal member--they will taste the bitter pill: Our fatherland, from an independent state, will become a Roman Province and a second rate one at that. The awakening will, of course, be painful. We consider the accession a correct step. The delay was a mistake and the cost for that will prove unbearable. And as though the delay were not enough, the last 6 years were wasted also without any essential preparation.

#### Question of NATO

"But let me set aside the issue of our association with the European Community and let me speak about the national question. Never forget, precisely in order to wonder at the diplomatic ability of those who have been in power during the last 6 years. We withdrew suddenly from the military wing of NATO just to satisfy the demands of the mob. We did not think about the consequences. Even years later all those responsible for that insane decision assure the people categorically that our reintegration presupposes that the reasons for our withdrawal should be removed. Yet suddenly we changed our mind. We sought our reintegration although none of the reasons for the withdrawal have been removed. We were trying not just to see how we could return under the conditions which existed prior to the insane withdrawal but how to save face. And suddenly we are back, under terms which are



so obviously favorable(!) that everybody including the Turks are celebrating and only [our government] holds a shy silence and does not make these terms public. If the terms were good or even not harmful, why are they being kept secret? It seems that those in power consider the Greeks to be very naive.

"Regardless, the question which remains unanswered is: If the reintegration serves the national interest then the withdrawal did not. In its anemic and apologetic reply the government, of course, cannot justify it, but admits it. And the admission of such an extensive bankruptcy in foreign policy, which has cost the country so dearly both morally and materially, will have its consequences sooner or later and the first to pay will be those responsible who do not have the elementary sensitivity to resign or at least to seek public approval in an election. Not knowing political history they are not aware that, regardless of the fact that the present majority in the Chamber of Deputies [Vouli] does not reflect--neither has it reflected since 1977--the popular majority, nevertheless, the 1923 Treaty of Lausanne was signed by S. Venizelos and not by D. Gounaris.

"I am not exaggerating. I sincerely believe that as events have developed, they will become the starting point for new pains for the nation. On every occasion we have declared how insane was the 1974 withdrawal from NATO and how imperative was the reintegration. Reintegration means exactly what the word says, namely, returning precisely to the previous status. Any change, any uncertainty, even the most innocent, creates a new condition which is not covered by the confidence vote. We have, therefore, entered a new period of uncertainty and insecurity.

#### Differences With Turkey More Difficult

"More serious consequences will follow which have not been properly noted or which are again being concealed from the public. Those who believe as I do in the necessity of Greek-Turkish cooperation, or in other words, in the correctness of the Venizelos-Ataturk policy, have additional reason to worry. Personally I have supported since 1972 a plan for regulating our relations. Unfortunately, the overthrow of my government in 1973 prevented its implementation. After that we had the horrible events of July 1974 and then, when the present leaders assumed power, the worsening of the situation with the Second Attila line and the ridiculous withdrawal from NATO. Now I am afraid that the manner of our reintegration, regardless of Cyprus, will make extremely difficult the settlement of the Greek-Turkish differences. I can foresee that the Turks through the existing uncertainty in NATO and the bad precedent created for us will raise new issues--and first of all the demilitarization of the islands.

"Another consequence. We will discuss the question of the American bases. Here the danger is at its maximum. I repeat, when the bases were granted with Vouli's unanimous approval they referred to the NATO area and they were not at all related to the CENTO area. Today, it is as plain as day that the U.S. is interested in Crete--I, too, know something about it--in relation, in other words, to whatever might happen in the Near and Middle East. But we have no reason to get involved even indirectly as long as the whole NATO does not become part of the effort.

## Effort to Shift Responsibility to the Military

"Finally, another serious consequence of the recent events--which paradoxically was not sufficiently noted--is due to the unacceptable involvement of the military leadership. It is without precedent [for] a political government in a peaceful period at that, and [in the case of] a political decision (because both the withdrawal and the reintegration are political decisions) to invoke the favorable opinion of the military leadership. It has been apparently thought that the government's weak position could be strengthened by showing such support. Yet in reality not only the opposite is true but it is possible to have incalculable long-term consequences. The military are the government's technical experts, but it is the government that decides even to wage war. Invoking publicly the favorable opinion of the military leadership is an effort to shift the burden of responsibility. One wonders why the military leadership accepted this. It is very dangerous to create the ground for disagreements within the armed forces because it is very possible to have active staff officers or even reserve officers honorably retired, who when they learn about the unknown details may disagree. What is to happen then? Will the army get into politics? And will the heated exchanges in the Vouli be transferred to the military clubhouses? Not to mention that this entire picture--which in my view is unprecedented in calm periods of a smoothly functioning parliamentary democracy--begins to be reminiscent, to some extent, of the Turkish regime which does not deserve to be imitated. And I make it clear that I am referring to the regime which since the time of Kemal has always let it become evident that in the [case of] critical national questions the military has had a preeminent status. Did the government grasp this point? Did the government understand how improper was its action to invoke the support of the military leadership? Did the government think that it was thus strengthened and did it fail to understand that by so doing it weakened its position while at the same time misinterpreting the nature of the parliamentary system?

"So it was a mistake to leave NATO and those who are responsible should suffer the consequences, and they will suffer those consequences as will be shown by the election which they will be unable to postpone much longer. It is correct that we should return to NATO, but we should do so in a specific, crystal-clear reality such as the one which existed before the withdrawal. It is proper to clear the question of the American bases, but only within the perimeter of the Greek and NATO interests. And certainly an end must be given to the Greek-Turkish dispute which includes the Cypriot question, but this must be done by those who are not responsible for the impasse. This is why only a post-election government can deal effectively with these issues as well.

## 'Balkan Cooperation' and Bulgaria

"As though all these problems were not enough--where the people are left in the dark, and where there is confusion and chaos--we now have the Balkan ambitions. You remember the famous slogan: 'Greece-France-Alliance,' or the other one: 'We belong to the West.' And then the unforgettable multi-dimensional foreign policy. And now the Balkans.

"First the dream of the Balkan Entente since the interwar period belong to A. Papanastasiou who was in this, as in everything else, an ideologue. That he was

able in the end to draw everyone, one after another, to his idea and to make it part of our foreign policy does not change the fact that the Balkan cooperation was an unrealistic objective since it suffered from one permanent gap: Bulgaria. In the postwar period, the first balkan ' rapprochement ' took place after Tito's split from the Soviet bloc and at the time the Greek Rally was in power we set the foundations--with NATO approval--for the tripartite agreement among Greece, Yugoslavia and Turkey, which died because of the dispute over Cyprus.

"Later, during the 7-year regime, an effort was made to restore a climate of good neighborhood by Pipinellis and later by Palamas who restored, against well-known objections, our relations with Albania. And [Romania's] Ceausescu was planning to start with Greece on his first visit abroad in the days of my premiership but the visit was postponed at my request because of the breakout of unrest.

"While in reality there is nothing new in this policy, nonetheless there is excessive optimism although our relations with Turkey have been fully restored, although the question mark remains regarding Bulgaria which, having its own ulterior motives, has always undermined Balkan cooperation. Of course, no one could oppose a good neighbor policy and no one has been against such cooperation. But we must be realistic. Realism in this case [tells us] that Bulgaria is constantly the most obedient member of the Warsaw Pact. In other words, the voice of Bulgaria at any time is its 'master's voice,' that is, the voice of the Soviet Union. Therefore, the foundation of the Greek-Bulgarian relations rests on the will of the Soviet Union.

#### Economy

"Let me now speak about the basic policies of the Progressive Party, which we will explain in detail during our campaign among the people. The Progressive Party members declare once again that their policy is positive, not negative. Consequently they do not fight against anyone; they simply present their views; they fight for their policies without fear and without enmity; they are distinguished by their unlimited faith in the correctness of their path and by their successful evaluation of priorities in dealing with problems. And precisely because of that, they steadfastly believe that the first great battle for our survival will be and must be waged in the economic sector. It is a great misfortune that our national affairs have been so entangled that a great deal of time, and a great deal of luck, will be needed to return steadily to the correct path and to stop going from here to there wondering and experimenting and comically improvising. It is also a great misfortune that the state machinery has been falling apart to such an extent that 50 percent of the state expenditures are not productive, that the education sector continues to be in a crisis of decay to the point that degrees of any category are becoming worthless. Instead of a precious ticket to life's struggle these degrees become a ticket to the worst possible form of proletariat, namely, the intellectual proletariat. But what to name first and what last?--the crisis in the church, the vicissitudes of justice, the impasse in our social policies? And, above all, the problems facing the armed forces not only in view of the arms buildup in neighboring Turkey but especially in the problems of manpower. We must always keep in mind that if all classes suffer in times of economic recession, there are certain groups that must be free from worry as much as possible to fulfill their highest mission which is the country's defense. And all this applies even more to the men of the security forces whose role has become most important at the



present time. It is imperative, therefore, that the government must take special care not only to provide for their material needs but also to serve their morale needs, stressing their value, honoring them and above all protecting them against anything decadent or vicious.

"I remind you also that in my last speech in Athens on the eve of the election you will have the opportunity to hear the basic points of our comprehensive economic program. It is a program which will surprise many and, remember this, it will be widely discussed not only by our friends but also by our opponents who will be taken by surprise no matter how much they know me. With this policy of surprise the middle class in which we are particularly interested will survive. Because the prosperity of the middle class assures tranquility and order, and protection against the destruction to which the extremists fatally move--not only the extremists in terms of ideas but also those in terms of their economic existence. All these assure also the calm functioning of the modern parliamentary democracy and, of course, of the state based on meritocracy not on partisanship.

#### Those in Prisons and Thousands of Others Will Be Rehabilitated

"Your vote will prove to be of critical importance because it will determine our country's survival in the most difficult conditions of today, more difficult than those Greece has faced at any time during the 150 years of its modern history. I do not like to use epithets or exaggerations. But I do not exaggerate. What is worse, everything has become marginal. Those who want the election are increasing in number while we are sorry because they have not taken place as yet. And when the minority constantly binds the majority of tomorrow then there is a great danger of an impasse. This, and the danger coming from the mob, are the great dilemmas. This anxiety, I cannot deny, is pressing on me, too. However, when the time for the election arrives it will also be the time for a positive vote and then you will see the surprise. We, the great unknown today (although since Larisa, Volos, and Lamia we are no longer such a great unknown) will be the great surprise tomorrow. Be careful. If you want to save the traditional camp in Greece, vote for us.

"With confidence that we will assure the change sought by the Greeks, we will win their vote. And then new and better days will dawn for Greece. Distinctions among Greeks will cease. Those who are in prison--in violation of the principles of justice as understood in the West and of the respect for the constitutional order--will be rehabilitated, and also the thousands of Greeks who have been persecuted under arbitrary criteria will be rehabilitated morally and materially. The middle class will see good days and the farmers and workers will see their just demands recognized. All this will be achieved when the public expenditures become productive. When we start to denationalize [the industries]. When we give top priority to the country's productive development. All these can be achieved with a plan--which we have--with courage--which we have proved that we have--with a sense of sacrifice--we have suffered. There will be no more Hamlets but governing leaders knowing what their objectives are and determined to carry their mission to its full realization, which is the salvation of Greece. This role belongs to us. We are certain that you will honor us with your vote, and victory will be ours."



## HIGHER PERCENTAGE ON SAVINGS FREEZE PLANNED BY CURRENCY COMMITTEE

Athens 1 KATHIMERINI in Greek 22 Oct 80 p 9

[Article by Nikos Nikolaou]

[Text] A new increase in the percentages of frozen private-sector deposits which are collected in the commercial banks is going to be decided on within the next few days by the Currency Committee. The objective of this measure is to restrict the liquidity of the banks, which is increasing steadily in consequence of the rise in private deposits, and thus to curb their credit expansion so as to be within the limits which were set by this year's currency and credit program.

Specifically, the credit expansion of the commercial banks is now taking place at a rate of 17 percent, whereas for the entire year the program provides for an expansion of 14.9 percent, and the currency authorities are afraid that if a portion of the new deposits which are flowing into the banks is not frozen in time, the rate of growth of credit will exceed 20 percent by the end of the year.

In order to avoid this contingency, which according to the officials will aggravate the inflationary psychology, as of 1 November the percentage for frozen deposits is going to increase further, although it already has increased by a percentage point since 15 October (it is now 42 percent, broken down into 35 percent of new deposits, which is invested in treasury notes of the State, and 7 percent for obligatory deposits in the Bank of Greece).

Before this issue is introduced into the Currency Committee, it will be discussed at a conference which will probably take place at the Bank of Greece (possibly today) under the chairmanship of the alternate minister of coordination, Ioan. Palaiochrassas, and with the participation of the governor of the Bank of Greece, X. Zolotas, and the governors of the commercial banks.

In any case, the latter--that is, the governors of the commercial banks--will vehemently oppose the intention of the officials to increase the freezes, by invoking the great needs of the market for ready money and also the necessity to support investment programs, the carrying out of which is being frustrated by a lack of capital. The governors will emphasize that although there is no justification for the freezes, it is clear that the State is proceeding to make these solely in order to cover the increased deficits of the public sector, which are arising exclusively from consumer activities.

## The Memorandum

Moreover, the views of these people are supported by what is contained in a recent memorandum by the Bank of Greece to the Ministry of Coordination, in which the following is also written:

"The credit expansion of the commercial banks, on the basis of the seasonally adjusted data for the 8-month period of January-August 1980, shows an annual rate of increase of 17 percent, which corresponds to an annual credit expansion on the order of 65 billion drachmas.

"This sum compares with an initial program of 45 billion drachmas (11.8 percent), which by various decisions of the Currency Committee has increased today to 57 billion drachmas (14.9 percent). Given the present assessments of an increase in the totality of private deposits, the commercial banks can finance easily from their own clear disposable funds an increase in credits to the private sector on the order of 70-75 billion drachmas, which corresponds to an annual rate of increase of 18.5-19 percent. This development must be avoided in every way possible, and the credit expansion of the commercial banks should be limited to around 15 percent for the entire year, with the aim of laying aside certain available funds (about 15 billion drachmas) from the greater increase in private deposits in order to cover a portion of the widening needs for borrowing of the central administration" (1).

## The Public Sector

Specifically, this year the public sector shows an increase in its deficit of 57 billion drachmas, which must be covered by funds of the Bank of Greece--that is, by recourse to the note-issuing privilege. But the issuing of new money on this order will widen significantly the already existing inflationary gap, with the result that there will be a new soaring of inflation, which will manifest itself both in prices and in the final deficit of the balance of payments. Thus, the partial coverage of the deficit by the freezing of deposits is the only remaining alternative.

In the memorandum of the Bank of Greece, a proposal is made to increase the obligatory investments of the commercial banks in treasury notes by 2.5 percentage points (they have increased by one point already since 15 October). In this way, declares the bank, the credit expansion of the commercial banks will be restricted to 57 billion drachmas, or 15 percent, and 15 billion drachmas will be secured for financing the public deficit, which will be reduced from 57 billion drachmas to 42 billion drachmas.

But it should be noted that since the realized increase in private deposits surpasses all the expectations (from the 135 billion in 1980 which the officials are counting on, it may go as high as 160 billion drachmas), the sums which the State will collect with the increase in freezes will be much greater than 15 billion drachmas.

12114

CSO: 4908

## EDUCATIONAL STATUS OF EMIGRANT CHILDREN DISCUSSED

Athens ELEVTHERTYPIA in Greek 11 Oct 80 p 2

[Text] In the Chamber of Deputies yesterday, PASOK [Panhellenic Socialist Movement] pointed out the great responsibilities which the government has with respect to the threat of the loss of national identity on the part of Greek children living abroad.

During the discussion of a relevant interpellation, the deputies which had introduced it presented data which gave a clear picture of the tragic conditions which prevail in the education of the children of emigrants and the dangers which they face. Furthermore, they stressed the necessity for drastic measures to be taken immediately to furnish the appropriate solutions to this tremendous national problem.

The interpellation was elucidated by the PASOK deputies Dim. Papadimitriou, L. Veryvakis, Sifis Mikhelogiannis, and I. Koutsokheras. Also taking part in the discussion were the former premier, P. Kanellopoulos, and Ap. Kaklamanis as the parliamentary representative of PASOK.

In his response, Deputy Minister of Education V. Kondogiannopoulos said that great problems such as the education of Greek children abroad must be handled with a sense of responsibility, and they should not furnish incentives for political contestation. He added that the government is performing its duty to the utmost and is trying to the best of its ability to adequately respond to this national urgency.

It was stressed in particular by the deputies which had introduced the interpellation that;

- There are very bad prospects looming for the children of Greeks abroad. There is a clear danger that the second generation of Greeks in foreign countries will lose their way. The damage continues even after the return of emigrants to their homeland.

- The mother tongue is being taught inadequately to the children of the emigrants. Moreover, their performance in school is not good.

- Of the 300,000 Greek children abroad, 20 percent do not go to school at all. Of those who go, half receive only an elementary-school leaving certificate. Only one in five enter into secondary school.

- A specific emigrant policy is lacking in the sector of education. The books which are sent by the government are unrelated to the prevailing atmosphere in the host countries. The teachers, despite their will, are not able to help the children.

The speakers stressed that PASOK's proposals are that:

A dialog should commence immediately for the purpose of concluding intergovernmental educational agreements, which are essential for the normal and unimpeded education of the Greek children abroad.

The teaching staff which is sent to foreign countries should be chosen by means of strict criteria.

The Greek State should work in every way toward the strengthening of ties between the Greek children and their homeland.

The government should create the opportunities, which do not exist today, for allowing these children to continue their studies in their homeland. And they should have access to the higher levels of education, with at the same time an effort being made to offer them vocational rehabilitation.

Sen. Kanellopoulos said that: "We all ought to understand that an effort should be made to win over these children who live in foreign countries--whether they are children of workers in West Germany or children of refugees in the eastern countries--through the solicitude shown by their homeland. No matter what government finds itself in power, it should turn its attention to this great problem."

The parliamentary representative of PASOK, Ap. Kaklamanis, pointed out the danger of the loss of national identity on the part of the second generation of Greek children abroad. And--he added--in America, Canada, and Australia, the children of the third generation have been abandoned to their own fate. Also he noted the shortcomings which are present and the acts of negligence which are being committed on the part of the government in dealing with this tremendous problem.

In speaking on the subject of the undergraduates who are studying in the eastern countries, Kaklamanis said that the government is not providing any accommodations to these 500 children.

The deputy minister of education, V. Kondogiannopoulos, referred to the efforts which are being made to deal with the problems of the education of Greek children abroad. He said that 1,700 teachers have been sent out to foreign countries, of which 1,000 have been sent to West Germany. At the same time, the school-books which are needed, the same ones as used here, are being sent as well. The effort has already begun to adapt these books to correspond to the country of their destination, a job which has not been completed as yet. At the same time, a variety of cultural materials is also being sent. The supervision over this educational sector has been assigned to 20 top-ranking educational advisers. The government has taken a number of steps to help the children of workers in foreign countries, so that they may progress in a normal fashion either in the country where they are situated or in our country if they return. For all these measures, 2 billion drachmas have been spent in the current fiscal year.



Reappointed as representative of Greece to the third committee of the United Nations, which is concerned with community, cultural, and human rights, was Mrs Dai, whom the dictatorship had sent to the same post. This appointment is denounced in the interpellation by the deputy of KODISO (Party of Democratic Socialism), V. Tsouderou, who called on the minister of foreign affairs to immediately withdraw this appointment, which does not do honor to our democracy, and to exhibit greater care in the assignments of diplomatic employees, at least in sensitive diplomatic representations.

12114

CSO: 4908

## PAPER COMMENTS ON SOCIALIST PARTY CONGRESS

Reykjavik MORGUNBLADID in Icelandic 26 Oct 80 p 22

[Editorial: "Apparent Struggles in the People's Party"]

[Text] Struggles have apparently been going on for several weeks within the People's Party. A half month before the party congress Kjartan Johannesson, party vice-chairman, announced that he saw fit, to meet the needs of democracy, to become a candidate for the chairmanship against Benedikt Grondal. Grondal withdrew on Friday and left the field to Kjartan Johannesson alone, who lacked strong enough words to praise the nobility of Grondal and party loyalty. The struggle for the chairmanship of the People's Party had gone on in the mass communications media without the membership of the party having any role. Just at the time that the competitor of the retiring chairman was asking for the increased influence of the party membership the appointment to the highest post of trust was decided in the papers, and on state television, and that in a party that hardly prefers anything like the state operated press.

Grondal decided this summer to seek reelection after taking counsel with the leading members of his party, and included, by necessity, in that number, was Kjartan Johannesson. Nonetheless Kjartan Johannesson decided to become a candidate against Grondal. And few things have People's Party members been more in need of in recent days than unity in their ranks, and a more reliable position than previously. Benedikt Grondal justified his decision in this way: "The People's Party has a long tradition of inner struggles within its leadership and they have always led to splits. That has resulted in intolerable loss for the party and has limited its following and its effectiveness. However the election of the chairman may go, it will bring in its wake discord and trouble and a weak party." The party chairman could scarcely have given his vice-chairman a more biting public rebuke. Indeed it may be said that only one sentence was lacking in the withdrawal statement of Grondal: the one who is better able is stepping aside.

In a statement appearing in MORGUNBLADID on Friday Vilmundur Gylfason characterized the situation within the People's Party in the words: "MORGUNBLADID is ready with the salt but there are, it turns out, no wounds." Each can judge the justice of these words for himself. Vilmundur Gylfason is now a candidate for vice-chairman, and likewise Magnus H. Magnusson. Baldvin Hannibalsson has let it be known that he is available. The words of caution of Benedikt Grondal apply just as well to that other high office of the People's Party. And will the withdrawal of Grondal aid in reconciling Bjorgvin Gudmundsson, leader of the People's Party in the Reykjavik municipal government, to the candidature of Kjartan Johannesson?

It is clear that the rebels in the party lay the emphasis on their great democratic tendencies and would thereby seek leadership of the masses. A like catch phrase has been advanced by the leftists in the brother party of the People's Party in the United Kingdom as they endeavor to take all power into their hands through increased support within the electorate at large. That is certainly not conducive to success in an election battle within a party that proclaims its intention to set hard terms for its opponents both politically and personally. The withdrawal of Grondal is based upon the fact that he would save the People's Party from such a plight. But has he succeeded? Is it not likely that the candidature of Kjartan Johannsson and the flay for the vice-chairmanship will take the People's Party along the very road that Grondal fears? Is the damage already done? If it has been the intention of Kjartan Johannsson to strengthen the timbers of the People's Party democratically he can scarcely be happy about the results of his election rumblings that have now come forth. The People's Party adherents now stand before what they have wanted and only get a lot of hot air in the mass media. None can foresee whether the party Althing delegation will be reconciled themselves with these events in quiet or raise their own issues boldly and firmly.

The influence of the apparent struggle within the People's Party is such that Benedikt Grondal has advanced a first step along his path leading out of politics. He has had to suffer recently from an unruly Althing delegation, which, on occasion, has wanted one thing the one day and something else the next. For a period of about a year he was minister of foreign affairs and, at the same time, prime minister for several months. His term of office was, in many ways, stormy, and as foreign minister Grondal was outspoken and made unmistakably clear his support for the policy aimed at securing the independence and security of the nation. He was clear in his words of caution on the dangers of the influence of the communists in this region. For that he won honor for himself, honor well beyond the councils of the People's Party.

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CSO: 3111

## MANAGEMENT, LABOR REACH ACCORD ON ANNUAL WAGE PACT

Reykjavik MORGUNBLADID in Icelandic 28 Oct 80 p 20

[Article: "Ten Months to Agree on a Single Year's Contract"]

[Text] The complete agreement between the Icelandic People's Union and the Icelandic Employers' Association was signed just before 23:30 last evening and marked the end of 10 months of negotiations. The agreement will be in force for a year or until 1 November 1981. Forming the basis of the agreement are proposals of a conciliation board, proposals presented to the two parties last 11 October. Wage increases allowed in the agreement are in the range of 9 to 10 percent on the average. Through this agreement the wage system of the Icelandic People's Union becomes what is called a wage agreement, a far simpler wage scale than what was obtained previously.

The agreement includes a comparable wage scale, the most important change, and together with this there has been a major change in classification, especially in regard to the Icelandic Laborers' Union and the National Union of Industrial Workers, and this change is in accordance with the classifications system change that was made for commercial workers last year. There has been an upgrading of the wage classification system of industrial workers whereby their compensation system has been abolished and wage categories set for them according to job titles. This system change accounts for about half of the wage increase and the other half is due to a general wage increase. It should be noted that those occupational divisions that have already undergone system changes received smaller increases than others.

There is a greater wage increase on the lower end of the wage scale than at the higher end. There is a greater increase in the 14 lowest categories. It is difficult to determine relative proportions of the increases since they have not been fully worked out, however, the increase for the lowest categories is around 10,000 krona increase, which is comparable to the 14,000 krona increase that the Union of State and Municipal Employees agreed to. Thus the increase is 24,000 krona for the lowest categories and the increase can be still more on account of category reclassification. Thus, for example, the lowest rate in the fisheries industry for dried or salt fish manufacturing increased by just under 40,000 krona.

There are special provisions to the effect that the sliding scale for the contract work of construction workers will not be increased by the same amount as the relative scale. The sliding scale itself will only be increased by 6 percent, as



was provided for in the proposals of the conciliation board. It may be noted that the employers felt that they have, for the first time, obtained an agreement which is lower than the conciliation board proposals. The Icelandic People's Union, on the other hand, does not feel this to be the case since they have obtained an increase in minimum levels of wage steps for longevity, 1.75 percent after one year, and 5 percent after 5 years, and that offsets the special demands which they dropped concerning monthly payment of migratory workers and full payment for lunch hours.

The government issued a list of promises yesterday, the so-called union package, along with the wage agreement.

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## PAPER CRITICIZES WAGE PACT AS INFLATIONARY

Reykjavik MORGUNBLADID in Icelandic 28 Oct 80 p 20

[Editorial: "Inflation and Purchasing Power"]

[Text] A wage agreement has been achieved in the public wage arena. That is, of itself, a very newsworthy event since 10 months have now passed since the old agreement expired. The last general wage agreement was made on 22 June 1977 and was in force, according to its provisions, until 1 December 1978. At the time of the formation of the government of Olafur Johannesson in the late summer of 1978 the administration of the Icelandic People's Union called for the extension of the 1977 agreement, without any base wage increases, for a year. Later, through the intermediation of the general membership of the Union of State and Municipal Employees, which had the agreement of their officers with the government on elimination of the 3 percent base wage increase, it was agreed that Icelandic People's Union members should receive a like increase through agreement with employers on 25 June 1979, and the "Solstice Agreement" of 1977 was formally extended until 1 January 1980. This year, after a 10-month struggle, a base wage increase of 9-10 percent has subsequently been achieved.

Since the making of the 1977 wage agreement the struggle of the workers' movement for full purchasing power improvement in wages has been far more invidious than that for an increase of base wages. In the wake of the 1978 February Laws, which cut purchasing power improvements by half for the higher wages until the end of that year, the workers' movement employed various protest measures. Although the definition of "low wages" was expanded by the Emergency Laws in May 1978 they continued. The People's Alliance and the People's Party went into the elections under the slogan "agreements in force," and that was, in essence, the aim of the government of Olafur Johannesson, which was formed on 1 September 1978. However, shortly before 1 December 1978 the government decided that purchasing power improvements in wages should be 6.12 percent since production index figures had increased by 14.13 percent, the so-called "social" provisions being calculated to account for the 8 percent difference. On 13 April 1979 the so-called Olafur Law was drawn up in the Althing and henceforth purchasing power improvements for wages have been cut quarterly in accordance with its provisions. To characterize the cuts it may be mentioned that production index figures increased by 36 percent from November 1979 to August 1980, but wages by a total of 29.5 percent in March, June and September 1980.

From this it may be realized that with the making of the new wage agreement a nearly 2-year long era of a "Solstice Agreement" extended from 1977 comes to an end and that only during the first months of the period of almost 3 years that has passed since it was made was this agreement "in force." Since the autumn of 1978, those who came to power upon their promises to respect the agreement have used every trick in the book to do the opposite and have been allowed to do this by the workers' movement.

We have not recapitulated all this here to show that the wage increases that have been agreed on are too low in relation to the condition of the national household or economic mismanagement. The recapitulation is necessary because the background of the wage agreement is clear. People will have to bear it in mind when they judge what has been done. The purchasing power of wages has dwindled in 1979 and 1980, and from the beginning until the end of 1979 production index figures increased by 61 percent while the purchasing power of wages fell by 1 percent. This year a 52-54 percent increase in production figures, from the beginning until the end of the year, is expected, and a decline of purchasing power of 5 percent over the previous year. The average increase of the index figures between 1979 and 1980 was 58 percent according to these figures. The government now indicates that inflation will increase by 42 percent between the years 1980 and 1981, and Annundur Stefansson, the director of the People's Union, expressed his hope that wage earners will recover the purchasing power of their wages with the new agreement. He was not very certain of this and it is more likely, as Thorsteinn Palsson, director of the Employers' Association, sees it, that the agreement will not improve living conditions but increase inflation and that the rate of inflation will be unchanged or nearly 90 percent, at the end of the agreement period.

In August the government made an agreement with the Union of State and Municipal Employees on a wage increase and this the conciliation board used as a basis of comparison in its proposals for a solution of public wage disputes, and this became the base. After the Union of State and Municipal Employees agreement it was impractical to come to any other conclusion in the wage dispute of the Icelandic People's Union and the Association of Icelandic Employees and that is what in fact happened. In spite of the Union of State and Municipal Employees agreement the government's draft budget foresees "only" a 42 percent increase in the rate of inflation between 1980 and 1981. That goal will not be achieved unless still more is gained from the wage agreements that have been made in the past, and since the period of rule of the People's Alliance, the People's Party and the Progressive Party since 1978. Will such measures increase purchasing power? The government has avoided the issue to pay service to its views on this matter with respect to the fact that wage agreements were not made. People have withstood all this without complaint. Now, on the other hand, it is time to lay one's cards on the table, without delay, so that all sides of the intended measures will be clear.

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CSO: 3111

## SOCIALIST PARTY TREASURER QUILTS, CITES TIES TO MARXISTS

Reykjavik MORGUNBLADID in Icelandic 1 Nov 80 p 2

[Article: "Eyjolfur Sigurdsson, Treasurer of the People's Party, Quits on Account of Collaboration with the People's Alliance"]

[Text] "I have worked for the People's Party since I was 16 years old. But I have now come to the conclusion that I can no longer go along with the People's Party and therefore I think it right to announce that I have left the People's Party," said Eyjolfur Sigurdsson, treasurer of the People's Party, at the conclusion of his speech at the 39th Congress of the People's Party yesterday. Eyjolfur Sigurdsson has been treasurer of the People's Party since 1978. During 1976-1978 he was chairman of the party executive committee and has been part of the party administration and central committee for 20 years.

Eyjolfur Sigurdsson said that his decision had nothing to do with the struggles now taking place within the People's Party leadership and that he was a decided opponent of the government which the People's Party participated in in August 1978, and made no secret of his views at that time. Some Althing delegates, with illusions of ministries, had called him party traitor and many other things. "Everyone knows the sad story of the People's Party since that time and we, who did not approve of collaboration with the People's Alliance in any way, see all this as a sign, both in terms of the party, and in terms of the workers' movement, of what the consequences of that collaboration were," said Eyjolfur Sigurdsson.

MORGUNBLADID spoke with Eyjolfur Sigurdsson after his speech, and he said that he only wanted to emphasize the fact that experience had shown that the People's Alliance, both politically and in terms of the workers' movement, and that the People's Alliance has held its own at the cost of the People's Party. Otherwise Eyjolfur Sigurdsson did not wish to discuss his decision, his reasons and consequences further.

Jon H. Gudmundsson alone of the speakers discussed the resignation of Eyjolfur Sigurdsson in his speech. He praised Eyjolfur Sigurdsson's work on behalf of the People's Party and said that he knew that such a decision had not been taken easily. Eyjolfur Sigurdsson had struggled for years with those forces in the party "which, in my view, are hostile to the party." On account of this struggle "certain cliques" in the party had kicked Eyjolfur Sigurdsson again and again. These cliques have presented their views on the mass communications media whenever some emotional issue is at the fore and have made all kinds of statements hostile to the party. Jon H. Gudmundsson said that many problems had been created for the People's Party on account of the actions of these forces.



## PAPER COMMENTS ON NEW PACT WITH GREENLAND

Reykjavik MORGUNBLADID in Icelandic 1 Nov 80 p 24

[Editorial: "Iceland's Cooperation with Greenland"]

[Text] Matthias Bjarnason, the former minister of ocean resources, has, in collaboration with a number of other Althing delegates, presented a bill in the Althing on the Greenland fund to promote the closer cooperation of Iceland and Greenland. The bill goes into detail on finances and purposes, involving many kinds of cooperation with, and aid to our neighbors in Greenland, who have recently attained home rule and have, as a consequence, to contend with a variety of difficulties and problems.

In the preamble to the bill it is stated that 1982 is the 1000th anniversary of the discovery of Greenland by Eric the Red and that there is a clear reason for Icelanders to commemorate this anniversary and likewise the impact of the Icelandic people on Greenland in the centuries following the discovery of the country through strengthening bonds of cooperation between these neighboring countries.

It is also stated in the preamble that closer relations and cooperation between Iceland and Greenland will be to the benefit of both parties, both in the area of culture and of economics. Cooperation in the area of fisheries is very important for both countries and there is good reason for Iceland to receive various assignments in the future in connection with construction in Greenland. Icelandic companies would gain much benefit from such assignments.

The bill of Matthias Bjarnason and many other Althing delegates has drawn considerable attention in Iceland. Hopefully the bill will gain the approval of the Althing and of the spokesmen of all parties. It would be a favorable omen for significant cooperation between the two peoples if the matter is pursued properly and turns out to be beneficial for both countries. It would be good if the bill becomes law before the beginning of the new year so that the carrying out of its provisions would be well under way when Greenland carries out the commemoration of the 100th anniversary of the Icelandic settlement in 1982, which, according to the statement of Hendrik Lund, mayor of Kaktortok (Juleanaasab), in an interview with GRONLANDSPOSTEN earlier this year, has been planned.

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## BRIEFS

HALLGRIMSSON CHAIRS FOREIGN AFFAIRS--Geir Halgrimsson was elected chairman of the Foreign Affairs Committee yesterday in the Althing with four votes. Halldor Angrimsson received three votes. Benedikt Grondal became vice-chairman without opposition and it was agreed that Johann Einvarðsson would be committee secretary. The leadership of the committee is unchanged from that of the last Althing. In addition to Geir Hallgrimsson the representatives of the Independence Party on the Committee are Albert Gudmundsson and Eyjolfur Konrad Jonsson. The representative of the People's Alliance is Olafur Ragnargrimsson. [Text]  
[Reykjavik MORGUNBLADID in Icelandic 28 Oct 80 p 2] 11,433

CSO: 3111

## COMMUNIST INTERPARTY RELATIONS: PCE, PSUC, CATALONIA AUTONOMY

Madrid MUNDO OBRERO in Spanish 24-30 Oct 80 pp 2-3

(Text) MUNDO OBRERO has asked Santiago Carrillo to give some statements to complement the press communique released after the meetings between the delegation of the Executive Committee of the Spanish Communist Party (PCE) and the Plenary of the Executive Committee of the Unified Socialist Party of Catalonia (PSUC).

"The communique," Santiago Carrillo told us, "reflects the conclusions to which we came after a wide-ranging discussion: that is, the statutory texts which define the existence of 'fully complementary relations' between the two parties, and affirm that the PCE and the PSUC 'jointly adopt agreements whereby the same Marxist principles, the same general political line and the same methods of organization are maintained,' shall be kept intact.

The statutes envision the participation of PSUC representatives at PCE congresses and in that party's leadership organizations with full rights and duties, as a means to achieve this end.

The meeting in Barcelona also resulted in a commitment to improve the joint efforts of the PCE and the PSUC, maintaining both parties' independence, which certainly no one questioned during the discussions.

The idea stressed by the PCE delegation was the need to specify whether the agreements we reached mutually on principles, methods of organization, the general political line of the PCE congresses and the PCE leadership organizations (which is the area of coordination in which we are following the statutes today to arrive at mutual opinions), are already connective in and of themselves, as has practically been the case to date, or if it is necessary to seek other more flexible ways to ensure the adoption of those agreements, bearing in mind the need to respect the PSUC's independence, even more clearly than before.

"It is also clear that, following an earlier practice, as required by our Catalan comrades, we expressed some opinions about the PSUC Central Committee's draft of a theme for its Fifth Congress; however, we did not insist too much on those aspects, based on the premise that the organs of the PSUC are sovereign, and that we do not want to interfere in an internal discussion which is really up to the PSUC Central Committee and congress. The only thing we wanted was to see whether some of those ideas should be taken into consideration and accepted by the PSUC Executive Committee, in the spirit of cooperation that we think should reign in our relations.

"We did not feel that general political problems that exist in the party should be subject to debate in these discussions. They will be debated during the preparatory process and at the Plenary Session of the Tenth Congress of the PCE. We did and still do give priority to something which in a new kind of party which will never again enjoy the unanimity of other times--much less any monolithic structure--and in which different positions will coexist and there will be constant confrontations with a broad internal democracy, is a decisive factor: the rules of the game. This is no longer merely a matter of organizational or administrative procedure. I would say that it is the most essential idea in the existence or nonexistence of such a party. If there are no rules accepted by all, whereby once debate has been terminated the decisions made by the majority are mandatory for all when it is time to take political action; and if decisions made by the leadership between congresses are not followed by the rest of the party's organs, then we would not have a party, but several parties which would end up confronting each other and fighting among themselves. That is the essence of the democratic centralism which, with that name or another, is applied by all political parties that do not use bureaucratic, centralistic methods.

"It was not a question of mechanically applying that criterion to PCE-PSUC relations, because they are two independent parties. It was much less a question of imposing any restrictive criterion of PSUC independence. The issue revolved around the way to combine, within the PCE, the broadest autonomy of the parties of nationalities and regions, while at the same time preserving a solid PCE that would not become a sort of federation of parties with no influence on the government, the state machinery and the Spanish oligarchy.

"It is a very deep and complex problem, and will be one of the central topics of debate and decision at the Tenth Congress.

"In our party, differences and political contrasts will persist indefinitely. We live in a diverse country, and there are great regional imbalances which lead to differences that have only recently surfaced in Spain. They will inevitably be reflected in the party, and it is precisely for these reasons that we need some clear rules that will guarantee the existence of a Spanish Communist Party capable of debating whenever necessary, but also of being a unique whole at the time when political action is needed in government agencies and Spanish politics. It is undeniable that along with diversity of nationalities and regions, Spain is a reality created by history with the prospect of a common future for all those who make up this country.

"The press has published the most arbitrary versions of the meeting between the PCE Executive Committee and the PSUC Executive Committee. There has obviously been some manipulation, even in the arbitrary distinction between 'Stalinists,' 'Leninists,' 'Nationalists' and 'Eurocommunists.' The worst thing would be for us to accept these differentiations ourselves (most of them are Manichean and contrived) to make this position more palatable to foreigners. It is clear that 'the war between the PCE and the PSUC will not happen,' no matter how much this disappoints those who have been trying to stir up troubled waters."



## Current Relations Valid

"The conclusion we have reached, after a serious, profound and responsible debate, is that current relations between the PSUC and the PCE are completely valid. The political problems that do exist can be handled with respect for this kind of relationship, as defined by the PSUC and PCE statutes," stated Antoni Gutierrez at a press conference held Monday in Barcelona.

Gutierrez pointed out that the agreement was unanimous, "a unanimity in reaffirming our relations while preserving the independence of both and our willingness to work together, with the possibility of reaching mutual commitments."

At the press conference, which took place at the PSUC central headquarters, Gregorio Lopez Raimundo, Antoni Gutierrez and Joan Busquet participated. It was reported that this weekend the PSUC Central Committee will meet, and on Tuesday 28 October the political secretaries of the organisations will meet.

Antoni Gutierrez said at another point that "it is necessary for existing ties (the presence of PSUC members on the Permanent Commission, the Executive Committee and the Central Committee of the PCE, and the joint efforts of the Central Committee commissions and the deputies of both parties) to function perfectly."

"We have not always made a sufficient effort," he added, "to participate in the PCE leadership organs, but we want to make our contribution so that they will function better."

Lopez Raimundo pointed out that "differences do not exist solely between the PSUC and the PCE; they exist within every party."

## PSUC-PCE Meetings in Barcelona

A delegation of the PCE Executive Committee, headed by Santiago Carrillo and made up of Simon Sanchez Montero and Nicolas Sartorius, has had a meeting with the plenary of the PSUC Executive Committee. The meeting lasted from 3 to 19 October.

During the gathering, within the framework of the general analysis of the Spanish political situation and of the new problems it is posing for both parties, the current state of relations between the PCE and the PSUC was dealt with.

The delegation of the PCE Executive Committee and the PSUC Executive Committee believe that, in accordance with Articles 42 and 20 of both parties' statutes, respectively, an effort should be made to improve the joint work of the PCE and the PSUC, as befits parties which are inspired by the same principles, adopt the same general policy and the same methods of organization, and struggle together in the same process of societal transformation, while still remaining independent.

## Article 42 of PCE Statutes

"Article 42. The Spanish Communist Party and the Unified Socialist Party of Catalonia maintain relations that are fully complementary and jointly adopt agreements whereby the same Marxist principles, the same general political line and the same methods of organization are maintained. The members of the PSUC, elected by the PCE congress,

participate in the leadership of the PCE with full rights. The members of the Spanish Communist Party who reside in Catalonia should join the Unified Socialist Party of Catalonia, and reciprocally, the members of the PSUC who reside in the rest of Spanish territory shall be members of the respective organizations of the Spanish Communist Party."

#### Article 20 of PSUC Statutes

"The Unified Socialist Party of Catalonia, which maintains fully complementary relations with the Spanish Communist Party, jointly adopts agreements whereby the same principles, the same general political line and the same methods of organization are maintained. The members of the Spanish Communist Party who come to live in Catalonia shall belong to the Unified Socialist Party of Catalonia, and reciprocally, the members of the Unified Socialist Party of Catalonia who reside elsewhere in Spain shall be members of the Spanish Communist Party.

"Furthermore, in order to contribute to the formulation of the political line on a state level, the Unified Socialist Party of Catalonia participates in the congresses of the Spanish Communist Party, to which it sends representatives in accordance with the corresponding rules for convocation established by the Spanish Communist Party. Said representatives have equal rights and equal duties with the rest of the delegates to the congress.

"The delegates to the congresses of the Spanish Communist Party are elected by the conference of the Unified Socialist Party of Catalonia."

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## SAAB, AFTER SUCCESS WITH FAIRCHILD, PLANS LARGER AIRCRAFT

Stockholm SVENSKA DAGBLADET in Swedish 28 Oct 80 p 33

[Article by Nils-Erik Lindell]

[Text] Linkoping--The joiners at the SAAB [Swedish Aircraft Company] shops in Linkoping are building the first full-scale model of the new passenger plane known as the Saab-Fairchild 340. It will be 2 years before the prototype flies, but 60 planes have already been sold, and the head of SAAB's air division, Tore Gullstrand, is looking forward to the next step: an intermediate-range aircraft.

"Now we know that we hit on the right market when we decided to build a plane to carry 34 passengers. I am just as firmly convinced that rising fuel costs are going to make jet engines unprofitable even for larger planes. I expect that toward the end of the 1980's we will also be building planes that carry from 80 to 90 passengers."

This is probably the first time that a new airplane has found as quick a response as the 340 has, or that it has been possible to find firm orders for a plane that is still on the drawing board. Although the European Airbus did get off to a roaring start, its prototype nevertheless had air under its wings before the first buyers signed the contracts.

## Five Hundred Men Bought

One hundred men are now at work at the drawing boards in Linkoping--and in a year there will be 300. And 40 American design engineers are working at Fairchild in the United States.

At the same time, skilled workers must be recruited.

Tore Gullstrand says, "We need 500 men. We can scarcely get that many in Linkoping, but we are farming out some of the work to other SAAB units, and right now we are advertising for subcontractors."

The first tools and jigs will be produced at the start of next year, and after another 6 months the components will begin to appear. In the fall of 1982, the prototype will lift off from SAAB's airfield in Linkoping, and the first airplane will be delivered in 1984.

## Two Years Assured

Sales have gone briskly since the first order was placed at September's air show in Farnborough. Crossair, the new Swiss domestic airline, has placed a firm order for five planes and signed options for five more. Sweden's Swedair has signed a preliminary contract for from 7 to 10 planes. Australia's Stillwell Aviation has ordered 12, and 15 American firms have ordered a total of 30 planes.

This means that the first 2 years of production have been sold and that it should be possible to start paying off the contingent government loan of 350 million kronor as early as 1986. That will happen when 100 planes have been delivered. Also in 1986, production will rise to 50 planes per year.

Of course, these first orders were not obtained at break-even prices.

Tore Gullestrand says, "The first customers must receive certain advantages. A new plane has a higher failure rate and consequently involves higher costs for the owner."

But SAAB expects to break even--that is, to reach the point where sales produce a profit--when it has sold from 200 to 300 planes.

That is fast. Douglas has delivered over 1,000 DC-9's but still has not reached the break-even point. And Airbus will probably have to sell over 800 planes before it can expect a profit.

Gullestrand says, "It is that short period from layout to completed plane and the fast sales that are keeping our costs down."

But how large is the market for this type of feeder plane?

"We calculate that 2,000 planes will be needed within 10 years. This includes not only feeder planes, but also executive aircraft and the government's need for aircraft, including military personnel transport planes."

SAAB has already sold 10 planes in the United States, where they will be used as executive aircraft. They are designed to carry from 10 to 15 passengers instead of 34.

## Race Begins

SAAB-Fairchild does not lack competitors, and when the plans for the 340 were presented, many felt that the two firms had arrived too late.

Tore Gullestrand says, "The crucial factor is not when the plans are presented but when the planes can be delivered. I think we will be first."

There are now three competitors--the Canadian de Havilland with its Dash-8, the Irish Shorts-360 (which lacks, however, a pressurized cabin), and the Brazilian Brasilia. France's AEROSPATIALE [National Industrial Aerospace Company], which built the Caravelle, has also announced its plans.



#### Civil Aviation Discontinued

SAAB has built civil aircraft before, and not only the single-engine Saab Safari. In the late 1940's it introduced the Scandia, a twin-engine passenger plane, which seemed to have a promising future. But when 18 planes had been built, a halt was called. The Korean War had softened the government's attitude: Sweden would thenceforth invest in military planes, and civil production had to be discontinued.

SAAB seems to have regretted it.

Gullstrand notes, "We need two legs to stand on. Only a worldwide crisis dislodging the civilian market can make us reconsider our decision to build passenger planes."

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## AUTOMOBILE SALES IN COUNTRY EXPECTED TO RISE FOR DECADE

Stockholm SVENSKA DAGBLADET in Swedish 31 Oct 80 p 35

[Article by Lasse Hoglund]

[Text] Sweden appears to be the first country in the world where the market for passenger automobiles is becoming saturated. But this does not mean that the number of automobiles is declining--only that the rate of growth is slowing down. New auto sales are expected to rise from about 200,000 this year to between 250,000 and 300,000 in 1990, depending on how the Swedish economy develops.

"Several countries, among them the United States, Canada, and Australia, have more automobiles per capita than Sweden, but the number of automobiles in those countries is nevertheless continuing to grow at about the same rate as before. In Sweden, on the other hand, we are beginning to notice the start of saturation."

So says Lars Jacobsson, head of the Commercial Bank's economic department, which, together with the Association of Automobile Manufacturers, has produced a forecast of auto sales in Sweden.

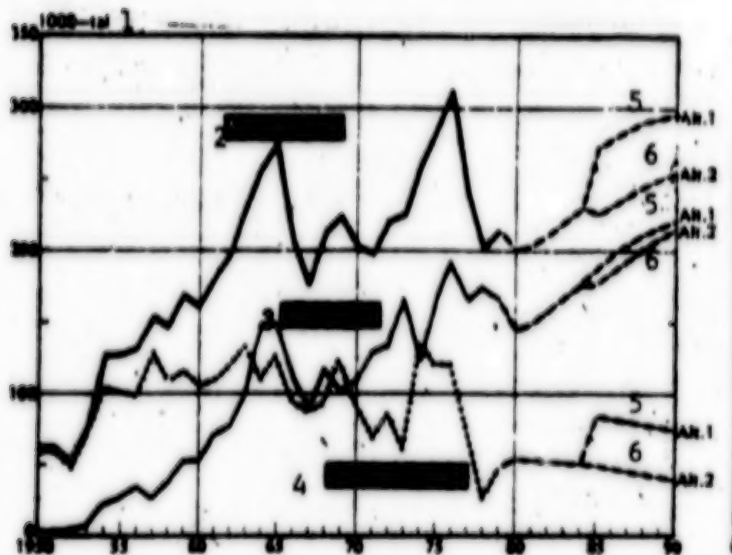
Lars Jacobsson has made auto forecasts before, most recently in 1977, when he predicted sales of about 270,000 automobiles in 1978 and 1979. It did not happen. Sales plummeted instead from a peak of just over 300,000 new automobiles to just over 200,000 a few years later.

The industry had experienced an equally sharp drop in the mid-1960's, when sales fell as a result of the introduction of motor vehicle inspections and the switch to right-hand traffic. But on that occasion sales rapidly boomed again.

Now it appears that we are approaching another stage of growth. The decline during 1977 and 1978 was due primarily to the economic recession in those years. For the first time since World War II, private consumption fell for 2 years in a row. In other words, people simply could not afford to trade in their cars. Similar conditions prevail now.

Slow economic growth is expected to continue at least until 1985. At the same time, private automobiles have been encountering stronger competition. It has become cheaper to use public transportation because of the various low fares on trains, planes, and buses, while the private automobile owner's gasoline bill has been soaring.

### Passenger Car Market in Sweden



Sales of private automobiles in Sweden (the top curve) are expected to continue rising until 1990--to about 300,000 according to an optimistic alternative, but to only 250,000 according to a more pessimistic one. This reflects primarily a greater need to replace scrapped cars (the middle curve). What is new is that as a result, the net increase (the bottom curve) will probably be smaller.

#### Key:

- |                      |                     |
|----------------------|---------------------|
| 1. In thousands      | 4. Net increase     |
| 2. New registrations | 5. Alternative No 1 |
| 3. Scrapped          | 6. Alternative No 2 |

Lars Jacobsson also points to several other restraining factors. Sweden already has such a large percentage of gainfully employed women that one cannot count on many more two-car families, where cars are needed for getting to work and for daily transportation.

Even among the oldest age groups, so many people own cars that the net increase will not be any greater when they are succeeded on the market by car-hungry young people.

In countries such as the United States, this has been offset by the greater number of people owning more than one car, but there public transportation is poorer and communities are often more scattered than in Sweden.

Lars Jacobsson still feels that despite everything, automobile sales are going to show some growth during the first half of the 1980's. This is based on a greater need to replace automobiles that are scrapped. The net increase (that is, new cars minus those scrapped) will decline for the first time even if new car sales climb from about 200,000 to about 230,000 in 1984.

The way things go after that will depend on whether we succeed in restoring balance in the economy by 1985, as the politicians hope we will. If we succeed, Lars Jacobsson thinks there will be more rapid growth at the end of the decade, reaching about 300,000 automobiles in 1990. If the problems continue, sales are expected to rise to no more than 250,000 new cars.

So far the number of cars per capita in Sweden has followed that in the United States after a lag of between 15 and 20 years. But that pattern has apparently come to an end. Sweden is the first country in the Western World to see its automobile sales approaching the saturation point.

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## BRIEFS

INDUSTRIES CUT WORKING HOURS--At least 20,000 industrial employees have now been hit by or threatened with short workweeks and layoffs in the wave of operational cut-backs that have been occurring just recently. On Thursday it became clear that effective Monday, the LKAB [the LKAB Mining Company] will lay off 2,500 employees in Kiruna for at least 2 weeks. Simultaneously--among other examples--about 3,500 of Saab-Scania's employees, chiefly in Trollhatten, are facing the possibility of a short workweek in December and January. Last month upwards of 10,000 Volvo employees in a number of Swedish localities had to cut back to a 3- or 4-day week. The same thing has happened or will happen in steel firms such as the Hagfors Steel Works, the Fagersta Corporation, and Uddeholm Tools. Termination notices or notices of reduced hours have also been issued in a number of firms in the lumber industry. [Text] [Stockholm DAGENS NYHETER in Swedish 7 Nov 80 p 11] 11798

WORKERS DEMAND WAGE RISE--A wage boost of from 10 to 15 percent--that is how high pay demands by the workers organizations are again going to go in the 1981 wage negotiations. That is now clear since the government's announcement that there will be no further tax reductions and that indexation will not be changed. It means that the scene is set for a tough round of collective bargaining. The union's justification for demanding a stiff boost in gross pay is that the government's tax reductions benefit only the high-income groups. The union's goal is to protect the purchasing power of its members, and it feels that only a stiff pay boost will make that possible. All the union spokesmen agreed earlier this fall to try to achieve quiet and rapid wage bargaining with low pay demands. But that could only happen if the government would listen to the union's proposed solutions. Those solutions ranged from tax reductions for low- and middle-income groups to higher payroll taxes on employers. The wage negotiations will also be difficult for other reasons--there are strong tensions between employee groups. [Text] [Stockholm DAGENS NYHETER in Swedish 10 Nov 80 p 1] 11798

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